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Current History

FEBRUARY, 1988

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This issue reviews the latest developments in the Middle East and many problems besetting that troubled region, including the impact of Islam, the policies of the United States and the war in the Persian Gulf. As our introductory article concludes, "Unless the United States manages to shore up its fading reputation for leadership, wisdom and creativity, the questions posed about United States policy toward the Middle East in 1987 will mark that year as the nadir of United States policy in the region."

United States Policy in the Middle East

BY ROBERT E. HUNTER

Senior Fellow, Middle East Studies, Center for Strategic and International Studies, Georgetown University

FOR most of 1987, the spotlight of United States policy in the Middle East was on the Persian Gulf. How that occurred was, in major part, the product of a strange set of circumstances that have come to be known as the Iran-contra affair. As so often happens in the Middle East, this was a combination of strategic interests, local conditions and United States domestic politics—creating a mixture as complex as any in United States foreign policy.

The Iran-contra affair came to light in early November, 1986, when a pro-Syrian newspaper in Lebanon revealed that the United States had been selling armaments to Iran. This was in contradiction to the declared United States policy of cutting off the arms supply to the regime of the Ayatollah Ruhollah Khomeini—a policy that went by the code name "Operation Staunch." Even more, it soon transpired that the United States arms sales were, at least in part, designed to help secure the release of several Americans who were being held hostage in Lebanon. Their plight had been dramatized by the 1985 hijacking of TWA flight 864 to Beirut. After that, the administration of United States President Ronald Reagan had apparently decided that it would approach Iran to seek the release of hostages left in captivity after the hijacking crisis was resolved.

During the first half of 1987, a series of revelations filled in the outlines of the arms-for-hostages swap—which, in fact, had led to the release of only two Americans. In the process, lengthy congressional hearings were conducted on live television; one United States national security adviser was forced to resign and the activities of another were called into question; and virtually the entire nation debated the conduct of a Marine Corps lieutenant

colonel who served on the National Security Council staff. The Reagan administration went through its most serious domestic political crisis. Indeed, the demise of its effectiveness can be dated from the beginning of the Iran-contra affair, which, not coincidentally, came at the same time that the United States mid-term elections confirmed the President as a "lame duck."

This brief resumé of the Iran-contra affair is important because of its significance for the Middle East region and for United States policymaking. Indeed, the original sale of arms to Iran can be traced to at least two strategic calculations. One was made by the Israeli government, which apparently acted on the basis of its long-standing "periphery" policy, whereby it has tried to maintain good relations with Iranian governments. To promote that policy, the Israelis first suggested to United States government officials the value of American arms sales to Iran.

From the United States point of view, there was also strategic merit in creating some opening to the Iranian revolutionary government. For many years, United States officials had been aware of Iran's strategic importance within the region. Indeed, Ronald Reagan's predecessor, Jimmy Carter, had propounded a doctrine for the Persian Gulf in January, 1980, because of his concern that the Soviet Union, in the wake of its invasion of Afghanistan, would turn its sights on Iran. The Carter Doctrine, which was later embraced by President Reagan, committed the United States to defend the region (meaning Iran) against any external threat (meaning the Soviet Union) with all means necessary. There is merit in this view, because Iran has the largest population in the region; it has been the second largest oil exporter

after Saudi Arabia; it has a long frontier with the Soviet Union; and it occupies one littoral of the Persian Gulf and one jaw of the Strait of Hormuz.

In retrospect, it was not surprising that the Reagan administration sought to create a relationship with Iran. Nor did its calculations depend on the existence of so-called moderates within the Iranian regime—a definition much fought over in United States domestic debate about the Iran-contra affair. Calculations depended only on the existence of Iranians who were nationalists, concerned not just for Khomeini's theocracy but also for Iran's future as a nation. The methods chosen by the Reagan administration to seek an opening to Iran were severely criticized. In the process, however, too many observers lost sight of the strategic objective, which was and remains sound.

The President made his case on national television in November, 1986. He failed to persuade the American people, however, and that fact helps explain why the strategic arguments were not pursued consistently thereafter. Indeed, by the middle of 1987, few senior officials in the United States were talking about Iran's strategic importance to the United States and the West.

Within the region, revelations about the arms sales had a significant impact on Arab states friendly to the United States. From the gulf Arab states to countries as far away as North Africa, there was bewilderment that the United States could have acted in such a fashion. Coming after so many other events that called into question United States steadfastness and reliability, there was a profound sense of betrayal. This was compounded by the general lack of United States leadership on key Middle East issues. The sense of betrayal also provided the backdrop to what proved to be the major events of 1987 in the Persian Gulf, which also stemmed from the continuing Iran-Iraq War.

REFLAGGING KUWAITI TANKERS

After Iraq invaded Iran in 1980, the conflict rapidly bogged down and turned to stalemate. By 1984, Iran had regained most of its territory; it was threatening to break through Iraqi lines in what was to be the first of a number of only partly successful "grand offensives"; and it refused to heed the calls of a thwarted Iraq to come to the bargaining table.

On land, the military advantage lay with Iran, but at sea the position was reversed. This was evident in the fact that Iran ships most of its oil from Persian Gulf ports, that oil revenues have fueled the Iranian war effort and that Iraq's shipments of oil through the gulf have been cut off since the war's beginning. Iraq thus embarked on a tactic of attacking commercial vessels plying gulf waters—mostly oil tankers calling at Iranian ports. Three motives lay behind this Iraqi tactic: to strengthen morale at home in face of Iranian military pressure; to try to reduce Iranian oil income; and to try to persuade major oil-consuming countries, notably the United States, to

press Iran to the bargaining table. But the last did not happen. After a brief flurry of concern, oil prices stabilized—there was a worldwide glut of oil—and the oil-importing nations largely ignored the Iraqi attacks and Iranian responses.

In late 1986, however, Kuwait made a move that was to prove decisive for developments in the Persian Gulf. At best, its relationship with Iraq was ambiguous; at worst, it was a co-belligerent. Kuwait was concerned about the pressure of Iranian military forces a scant 50 kilometers away. It had permitted the use of its airspace by Iraqi military aircraft and access to its ports for the transshipment of war matériel. From time to time, therefore, Kuwait's oil tankers were attacked by Iran in response to the Iraqi-instituted "tanker war."

To protect itself, Kuwait turned to the superpowers for assistance, proposing that 11 of its tankers be reflagged by the Soviet Union and the United States and thus, be placed under their protection. The Soviet Union countered with an offer to lend some of its own tankers to Kuwait. The United States, fearful of any increased Soviet influence in the Persian Gulf, offered to reflag all 11 tankers.

The United States offer did not attract much attention in the United States, even with—or perhaps despite—the national focus on the Iran-contra affair. It was consistent with the general "tilt" of United States policy toward Iraq, partly as an effort to secure an end to the Iran-Iraq War. Congressional committees were informed about the reflagging, but they did not respond. Apparently no one in the senior ranks of the Reagan administration foresaw what might, indeed, have been unforeseeable that what seemed to be a paper transfer routinely conducted by the United States Coast Guard could escalate into a major crisis.

Circumstances changed dramatically on May 17 when a United States frigate, the *Stark*, was attacked and severely damaged by an Iraqi warplane, with the loss of 37 lives. The attack appeared to be an accident. But it still happened as part of a policy: the continuation of the tanker war. And the United States responded in the terms designed by Iraq: it chose to become much more deeply engaged, militarily, in the Persian Gulf. Washington reaffirmed its decision to reflag Kuwaiti tankers and it backed up that decision by increasing naval deployments in the gulf and its environs—where for 30 years United States Navy vessels have been deployed—to about 35 ships and 25,000 men.

From the outset, the issue was not the protection of the flow of oil, although this argument was later advanced as a political justification for the reflagging when it became unpopular. As State Department officials said in congressional testimony, less than one percent of all tanker in the Persian Gulf had been attacked during the Iran-Iraq War—and 70 percent of those were struck by Iraq. Instead, the United States had three motives: to deny the Soviet Union any political benefits that could

accrue from its reflagging Kuwait's tankers; to bolster Iraqi morale in the face of the Iranian military challenge; and to reassure the Arab states of the Persian Gulf that United States arms sales to Iran had been an aberration, not a rule. The reflagging would continue for these largely political, not military, reasons.

The buildup of a United States naval presence did not, however, lead directly to a United States clash with Iran. For its part, Iran indicated that it could accept a United States presence in the gulf—had it not turned a blind eye to that presence for years?—but could not tolerate the fact that the United States was taking Kuwait's, and thus Iraq's, side in the war. Even after a bloody riot at Mecca that involved Iranian Shia pilgrims and Saudi security forces, the United States and Iran did not come to blows. Iran accused the United States of being responsible for the death of Iranians at Mecca, but it did not act. It declared the "martyrdom" naval exercises in the Persian Gulf and showed pictures in its television broadcasts of so-called suicide squadrons, but these actions merely demonstrated that the two countries had developed a form of strategic signaling: neither wanted to go to war with the other. For the time being, Iranian actions were limited to mining gulf waters.

Iraq, meanwhile, had apparently gambled that the United States would act to drive Iran to the bargaining table. Instead, by helping to protect the flow of oil, the United States Navy was, ironically, tilting toward Iran instead of toward Iraq. Soon after the Mecca incident, therefore, Iraq resumed its attacks on Iran-bound tankers, and Iran resumed its policy of retaliation. A number of limited military encounters between Iran and the United States ensued, and Iran employed Silkworm missiles acquired from China against various targets, including a Kuwaiti oil platform.

THE DILEMMA

As 1987 approached its close, the United States was in an unusually exposed position. It was not clear that it wanted to become engaged in a major conflict with Iran or, if it did, that it would be prepared to persevere to the point of eliminating Khomeini's regime. There were regretful memories of the Anglo-American overthrow of Iran's Prime Minister Mohammed Mossadegh in 1953, an act that produced much of the backdrop of the Iranian revolution and the Iranian-American confrontation of the 1980's.

At the same time, Iran had no interest in fighting the United States. The latter's superior fire-power would surely exact a heavy price. Indeed, as the year wore on it became clear that the two countries shared two important common strategic interests: ensuring that the flow of oil would not be halted and, more important, containing the influence of the Soviet Union. Of course, the United States and Iran continued to have one area of conflict: the potential spread of the Iranian revolution, not just within Shia communities but, in different ways, in much

of the Arab and non-Arab Islamic worlds. Indeed, it became clear that the very tactics used by the United States to deal with Iran militarily could play into Khomeini's hands in the broader competition of culture, religion and ideology (hence, Khomeini's charge that the United States was behind the Mecca incident).

The United States thus faced a dilemma. It did not want to deepen the conflict with Iran, but it did not want to give any appearance of being chased out of the Persian Gulf. From the standpoint of the Reagan administration, the latter point was underscored by widespread misgivings in the United States Congress about the wisdom of the reflagging and the naval deployments. There were repeated calls for invoking the War Powers Resolution of 1973. Under its provisions, when United States forces are in a situation facing "imminent hostilities," the President should report to Congress. Then, a 60-day clock starts ticking, and at its end, either Congress has sanctioned the continued presence of United States forces in harm's way, or they must be withdrawn. The Reagan administration, like its predecessors, resisted the use of the resolution, regarding it as a strait-jacket that might make conflict more difficult to stop than to start. Still, faced with this pressure and its own difficulties at home and abroad, the administration was not disposed to change course.

At the same time, the United States was not in control of the situation in the Persian Gulf. By its own hand, it had become effectively held hostage to actions taken by Iraq's President Saddam Hussein (the tanker war) and by Ayatollah Khomeini. Washington relied on the Ayatollah and other Iranian leaders not only to understand Iran's interest in avoiding direct combat with United States forces, but also to exercise near-perfect command and control over a wide range of Iranian forces. Given the existence of Revolutionary Guards, there was the ever-present risk that United States warships would be fired upon, as happened on one occasion to a Soviet tanker. In the judgment of most observers, United States public opinion would then press for major military action against Iran.

The United States proceeded along two diplomatic lines. First, it sought help from its West European allies. This was represented as the need to have minesweepers to deal with the Iranian tactic of indirect challenge to the United States naval presence. In fact, it was a political effort to demonstrate support for United States policy on the part of other Western oil-consuming, maritime nations. The response of the West European states was meager until the magnitude of the political and naval risk to the United States became apparent. In the event, five nations—Britain, France, Belgium, the Netherlands and Italy—sent ships to the Persian Gulf, and West Germany prepared to do so. For some nations, like the Netherlands, there was domestic pressure as Dutch vessels came under attack.

In general, however, the allies responded to United

States requests for naval support in the Persian Gulf for two interconnected reasons. They wanted to have some influence in Washington on the course of United States policy in the gulf region. And they did not want the American people and their government to react against West European abstention in a crisis that affected the United States but also involved the interests of other Western states. They recalled the recriminations when no West European country except Britain provided support for the United States air raid on Libya in April, 1986. They feared American irritation as the United States began reconsidering the issues of burden-sharing within the Western alliance and the continued presence of 326,000 United States soldiers on the continent.

The United States also took the lead at the United Nations (UN) to develop means for forcing Iran to the bargaining table. In fact, United States interests in the region do not require an end to the war—although that would be desirable, in terms of imponderables and in view of the terrible human suffering. United States interests demand only that neither Iran nor Iraq prevail, that the oil flows, that Soviet influence is contained and that the United States be able to maintain good relations with local Arab states. The UN Security Council Resolution 598 went beyond what the United States needed. In essence, it called on Iran and Iraq to recognize a cease-fire and to enter negotiations. Failing that, further actions were urged to compel compliance. Because Iraq has wanted to negotiate and Iran has not, the resolution was effectively directed toward Teheran.

After diplomatic activity by the UN Secretary General, Javier Pérez de Cuéllar, the diplomatic situation paralleled the military stalemate. But there remained room to test Iranian intentions, especially the contention that its key demand is that Iraq be formally acknowledged as the aggressor in the war. Prospects were not bright for a UN resolution to impose sanctions or an arms embargo. Neither the Soviet Union nor China—the latter presumably because of fears about potential gains for the former—was prepared to comply. For the Soviet Union, there were benefits in seeing the United States at odds with Iran, while Soviet leaders sought good relations with both sides in the war.

THE SOVIET FACTOR

Indeed, during 1987 the role of the Soviet Union became a central factor in the Persian Gulf and in United States policy toward it. The government of Soviet General Secretary Mikhail Gorbachev was unusually active in the gulf, as it was in many other parts of the world. It stood to gain from meeting Kuwait's requirements had the United States demurred. But the extent of that opportunity for the Soviet Union was limited, both by geography—except for the route through the Suez Canal, the Persian Gulf is quite remote from Soviet ports—and by the likelihood of a pro-American reaction on the part of local Arab states should there be a Soviet buildup. The

Soviet Union thus kept its naval presence in the Persian Gulf to a handful of small ships.

In the spring of 1987, Moscow played another card: an offer of joint East-West security arrangements for the region. This was similar to an offer made by Soviet leader Leonid Brezhnev in 1980 that had been rebuffed by President Jimmy Carter's administration. President Reagan followed suit. Indeed, if the United States could not provide for Persian Gulf security without the involvement of the Soviet Union, its credibility would be further eroded. The Soviet diplomats then proposed that an Iran-Iraq peace conference be convened in Moscow, along the lines of the Tashkent conference of 1965 between India and Pakistan. Iraq might have been amenable, but Iran was not.

From the United States point of view, however, the greatest risk lay in the benefits that could accrue to the Soviet Union if the United States were to engage in major military action against Iran. Short of civil war and Iran's disintegration, fear of a Soviet invasion had diminished radically since 1980. But the risk of major Soviet influence remained, and in 1987 Soviet diplomats were assiduous in keeping open the political lines to Teheran. This underscored the basic nature of the United States gamble in the gulf. Not in control of the pace of events in 1987, the United States risked actions that could provide the Soviet Union with an unprecedented opportunity in the region—the possibility that it could realize a centuries-old dream of decisive influence. At year's end, the outcome remained in doubt.

THE ARAB-ISRAELI CONFLICT

Measured against developments in the Persian Gulf—with the potential for major strategic consequences—United States policy toward the Arab-Israeli conflict for once paled in comparison. But this part of the Middle East could not be ignored. Indeed, the degree of pressure the United States faced from moderate Arab states after the revelations about arms sales to Iran stemmed in major part from the lack of United States efforts to move the Arab-Israeli peace process forward. Moderate Arab friends of the United States thus saw American error on two fronts. Nor could Israelis take great comfort from the leadership of United States Middle East policies.

United States policy toward the Arab-Israeli conflict did not derive primarily from confidence that particular proposals could soon advance the peace process. Indeed, there was little indication in 1987 that the United States would invest the time and effort needed to move that pro-

(Continued on page 89)

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"Although the Islamic resurgence is still in an early stage, after two decades it is an increasingly potent force in the Middle East. . . . because of its inherent mixture of religion and politics, Islam could well become one of the world's strongest ideological forces in the late twentieth century."

The Islamic Resurgence: A New Phase?

BY ROBIN WRIGHT

Senior Associate, Carnegie Endowment for International Peace

MAJOR developments in 1987 indicated that the Islamic resurgence has taken deep root in the Middle East—with unprecedented impact in modern times. Its current depth and breadth, particularly in states long known for their stability and moderation, also indicate that Islam is almost certain to be the single most energetic force in the region for the foreseeable future.

Although the widely diverse Islamic movements remain a distinct minority in each state, several broke new ground in 1987. The scope was reflected in a variety of events, most notably among the North African Sunnis. In Egypt's April election, the Muslim Brotherhood became the largest legal opposition force. Tunisia experienced the first incident of violence linked to Islamic zealots. In July, the largest trial in Algeria's post-independence history found 187 fundamentalists guilty of plotting against the state. Elsewhere, Israeli officials acknowledged concern about the emergence of a Sunni movement among Arabs.

Among the Shia, Kuwait witnessed a series of attacks on oil installations by local extremists, not foreign Shia who had been linked to earlier waves of violence. Lebanon's Hezbollah, or Party of God, gained further ground from local Muslim moderates and elicited large payoffs or concessions from foreign governments on hostage issues; the January 20 abduction of British hostage negotiator Terry Waite stunned even the Lebanese. And in Iraq—where long-anticipated opposition from the Shiite majority against the ruling Sunnis has been notably absent—diplomats reported that gunmen opened fire in September on an official parade in Baquba; between 50 and 100 were reported killed.

Although violence by extremists grabbed the widest attention, the more significant impact of two decades of increasing fundamentalism among both sects has been

on the framework of debate on local issues and, to a lesser degree, on the Arab-Israeli dispute and superpower influence in the region. The emergence of new Iranian-style theocracies seems unlikely in the near future, but the trend led governments of both left and right to respond more vigorously or imaginatively to Islamic undercurrents in 1987. Among the disparate events, four emerging characteristics may signal a new phase of Islamic political activism.

First, the activism synonymous with the Shia, Islam's so-called "second sect," in Lebanon and Iran is now a highly visible factor, although in differing ways, among the dominant Sunnis in several nations.¹

Second, Islamic organizations that originated around small groups of intellectuals, clergymen or cells on the margin of politics are increasingly entering the mainstream.

Third, several groups are effectively penetrating society by institutionalizing their movements or offering tangible and constructive alternatives in politics, the economy and society.

Fourth, in many nations the Islamic movement is increasingly fragmented, not only between moderates and militants,² but also over tactics and goals. Extremists are particularly divided among themselves.

The attempt by Islamic groups to institutionalize their movements was most striking in 1987 in Egypt, where the Muslim Brotherhood, or al-Ikhwan al-Muslimun, emerged as the largest legal opposition force in the People's Assembly despite its illegal status. The Ikhwan had been outlawed in 1954 after an assassination attempt on President Gamal Abdel Nasser. Thirty-three years later, President Hosni Mubarak reluctantly "allowed" the Ikhwan to run—under cover of an alliance with two secular parties—as part of a risky finesse to deal with the growing trend. His new policy tactic, apparently designed to stem the tide with a dose of reality, forces the Ikhwan to share the burden of solving Egypt's staggering problems. The government also hopes the policy will split the more moderate elements from the extremists, on whom security forces have clamped down.³ Hundreds have been arrested.

The Islamic resurgence has been a contentious political issue in Egypt since the 1981 assassination of President Anwar Sadat by "Jihad," or Holy War, militants.

¹The Shia account for roughly ten percent of the world's 850,000,000 Muslims, while the Sunni comprise almost 90 percent.

²As defined for the purposes of this article, fundamentalists are those dedicated to reforming politics, the economy and society along Islamic lines, not necessarily through violence. Extremists, or militant fundamentalists, are a subgroup who favor replacing the system, often through violence.

³Interviews in Cairo, June 11–June 20, 1987.

But since the 1984 election, when the moderate Brotherhood first entered Parliament through a different alliance, Egypt's mainstream fundamentalists have been most interesting because of their legal activities. As analyst and former Egyptian diplomat Tahseen Basheer noted, "The majority of Egyptian fundamentalists are trying to reform the whole system along Islamic lines through legitimate channels."⁴

Heavily influenced and reportedly partially financed by Saudis, the Ikhwan has taken comparatively moderate positions on controversial issues, at least for the time being. On Israel, Mohammed Mahmud al-Hudaybi, leader of the Ikhwan's parliamentary delegation, said in an interview, "We opposed the Camp David accords, but now it is fact. Palestine is part of the Islamic cause, but we can't run and cut relations [with Israel]." On Egypt's uneven relationship with the United States, he added, "The U.S. is a superpower and we have to have ties. But relations should be based on new principles of mutual interest and mutual respect, not just U.S. interests."⁵ The Ikhwan's agenda, which is similar to other movements elsewhere, centers on revising economies to spread wealth more equitably, restoring pride in cultural heritage, and ensuring individual dignity and national independence from foreign domination.

Islam's penetration of mainstream society has also been reflected in the burgeoning number of private Islamic institutions and in the private sector's accommodation of Muslim tenets. By 1987, an estimated 6,000 schools or large tutorial programs and 3,000 clinics had been established by Islamic groups or individuals.⁶ A growing number of stores catered to Islamic dress codes or nonalcoholic preferences. Newspaper advertisements often began with Koranic injunctions.

Yet Egypt's Islamic movement has been far from monolithic. Indeed, fragmentation among the faithful, particularly among militants, has been a particular problem over the past year. Jihad, the primary umbrella group for extremists throughout the 1980's, has always been loosely knit. Egyptians refer to it as the "anqud," or bunch of grapes, since one unit can be picked off without harming the whole. New offshoots that appeared during 1987 included "Those Salvaged from Hell," the "Islamic Fraternity," and the "al-Hilal Revolutionary Organization."⁷ In the broadest sense, they remain parts of the same whole. There are also indications that rivalries over personal as well as tactical and doctrinal differences have begun to develop.⁸

⁴Interview June 11, 1987.

⁵Interview June 18, 1987.

⁶Interview with Egyptian sociologist Saad Eddin Ibrahim, June 11, 1987.

⁷Foreign Broadcast Information Service, *Middle East and Africa* (hereafter cited as FBIS-MEA), September 1, 1987, pp. C3-C4.

⁸Interviews in Cairo, op. cit.

⁹John Kifner, *The New York Times*, July 26, 1987.

¹⁰"The Movement of Islamic Tendency in Tunisia: The Facts," published September, 1987, by MTI.

Extremist actions in 1987 did not bode well for Mubarak's gambit. After the April election, two former interior ministers, both involved in earlier crackdowns on fundamentalists, and a prominent editor who had advocated stronger government action against extremists were all victims of assassination attempts in Cairo. Asyut, the Upper Egyptian city long known as a hotbed of fundamentalism, witnessed sporadic demonstrations and violence over a variety of local flashpoints, like belly dancers entertaining in public and the distribution of alcohol.

Mubarak's National Democratic party (NDP) still maintains the two-thirds control of Parliament needed to pass legislation. But the general tenor of Egyptian politics is distinctly changing, and many secular parties are catering to the new mood. The NDP publishes its own "Islamic Banner" newspaper, which often focuses on fundamentalist issues. Members of the People's Assembly, which now breaks for prayers, often sprinkle their speeches with Islamic references.⁹ The state-run television station has increased Islamic programming.

The turn of events in Egypt is pivotal because its 50 million people account for almost one-third of the Arab world and for the region's largest Sunni population. Egypt has also traditionally been a political trend-setter. Its de facto return to the regional fold at the November Arab League summit after eight years of official ostracism could once again put political developments in Egypt in the regional spotlight. How the Islamic trend—among both fundamentalists and extremists—is handled in Egypt could also set a precedent for other Sunni nations.

Another North African nation to be deeply touched in 1987 by the Islamic resurgence was Tunisia, which witnessed unprecedented tension between the government of President for Life Habib Bourguiba and fundamentalist undercurrents. The March arrest in Paris of six Tunisians suspected of involvement in a wave of bombings in September, 1986, led Bourguiba to break relations with Teheran and to launch a crackdown on what his government calls "Khomeini-ists"—despite the lack of evidence that the six were linked with Tunisia's domestic Islamic groups. Security patrols and roadblocks to check identity papers became common sights in one of the region's traditionally most tranquil capitals. More than 1,200 individuals were detained, a factor at least partially responsible for sporadic protest demonstrations that broke down into confrontations with police.

The Movement of Islamic Tendency (MTI) is Tunisia's largest fundamentalist organization. Its emergence as the Koranic Preservation Society in 1970 was, ironically, promoted by the government as a means of countering leftist opposition.¹⁰ The same was true elsewhere, particularly in Egypt, where Sadat promoted an early version of fundamentalism, which he mistakenly thought he could control, to discourage socialist dissent after Egypt's early 1970's break with the Soviet Union. The

Tunisian movement coalesced as MTI after labor strikes and political violence in 1978.

Of all the Islamic groups in the Middle East, MTI still ranks among the most moderate. Its platform calls for "the reconstruction of economic life on a more equitable basis, the end of single-party politics, the acceptance of political pluralism and democracy, and a return to more moral and religious values."¹¹ Unlike Egypt, Tunisia has rejected repeated MTI attempts since 1981 to gain government approval as the nation's fifth political party or to function as a social movement. Yet MTI's support, particularly among the disaffected young, has soared. Western envoys concede that by late 1987, MTI had gained varying degrees of support from between 20 and 25 percent of Tunisia's 7.6 million population, despite stern government warnings about "deviant Islam."

The bombings of four tourist hotels in Sousse and Monastir on August 2 marked a turning point in the growing tension; they represented the first religion-related violence since Tunisia gained independence from France in 1956. The underground Jihad organization claimed responsibility in anonymous calls to French news agencies, but the government insisted that MTI was responsible.¹² The crackdown culminated in September with a month-long trial of 90 fundamentalists—37 in absentia—on a host of specific criminal charges as well as a general plan to overthrow the state in favor of an Islamic republic. The prosecutor demanded the death penalty for all 90 of the accused.

During the highly politicized trial, conducted by a military court, several of those who had earlier confessed responsibility and claimed membership in MTI on national television alleged in court that they had been tortured beforehand and that they did not belong to MTI.¹³ Other questions were raised about the fairness of the trial when some defendants were accused of planting bombs even though they were in prison at the time. The trial—which ended with seven condemned to death (five in absentia), and 76 sentenced to prison terms ranging from two years to life—failed to prove persuasively organizational or financial links between MTI and Iran.

Bourguiba's obsession with fundamentalism played a key role in his abrupt but bloodless ouster on November 7, 1987, by Prime Minister Zine Abidine Ben Ali, who declared that the ailing octogenarian was senile. The previous week, Bourguiba, Tunisia's only chief-of-state since its independence from France in 1956, had ordered

a retrial of several fundamentalists tried in September; he told his Cabinet he wanted at least a dozen more sentenced to death. Two days before the retrial, Ben Ali made his move, in part to avoid what many officials feared would be a wave of popular unrest. Bourguiba's stand on fundamentalism was, in effect, the straw that broke the camel's back.

Instead of proving links with Iran, the trial had served to demonstrate publicly an important trend among many Sunni fundamentalists—their distance from the Islamic Republic. While several MTI leaders admitted contacts with Iran, primarily during the euphoria after the 1979 revolution, many later changed their minds. An underground leader explained last September:

Until 1982 and 1983 our members were fascinated by the Iranian revolution's political aspect. But they were shocked by its confessional aspect. We do not think it is now in our movement's interests to establish political or structural relations with it. . . . We have expressed reservations, for instance, about repression and the lack of political parties and opposition newspapers in Iran.¹⁴

There is little evidence to date to support Bourguiba's contentions—as well as similar allegations by other governments—that Iran's campaign to export its revolution is now the main or the only reason for the expansion of Islamic movements among Sunni Arab communities. Nevertheless, both Tunisia and Egypt claimed that Iranian agents were responsible for inciting local groups, leading to the expulsion of Iranian diplomats in both countries in 1987.

Actually, domestic factors appear to be far more important than Iran to the trend's entrenchment. Like MTI in Tunisia and the Ikhwan in Egypt, most of the region's Islamic groups predate Iran's revolution. Indeed, Iran's 1979 revolution was in many ways merely the most visible example of a trend that can be traced to the aftermath of the 1967 war, when many Muslims felt that their devastating losses—including large chunks of Jordan, Syria and Egypt, plus sacred Jerusalem—were tied to their abandonment of Islam. A major shift was evident in the 1973 war, which was fought in the name of Islam rather than pan-Arabism. The Arabs lost militarily but they achieved many key political goals during the operation, code-named "Badr" after the prophet Mohammed's first victory in A.D. 623.¹⁵

The upheaval in Teheran further proved what had already been established: Islam is an effective idiom for change. And the theocracy has since clearly had a hand in training, funding and arming various extremists, notably those from Shiite communities in Iraq, the Arabian peninsula and Lebanon. But the majority of movements appear to be truly indigenous, both in organization and in goals.¹⁶ Indeed, a growing number of the Islamic movements now are distancing themselves from Iran, which is widely seen among Sunnis as besmirching the name of Islam—particularly after the July 31 confrontation between Iranian pilgrims and Saudi security forces

¹¹Ibid.

¹²There are no connections between the various Jihad groups in Egypt, Tunisia, Lebanon or elsewhere; it appears to be a common name because it is a popular concept.

¹³FBIS-MEA, September 16, 1987, p. 13.

¹⁴FBIS-MEA, September 13, 1987, pp. 13-15, and Susan MacDonald, *The Times* (London), September 5, 1987.

¹⁵Robin Wright, *Sacred Rage: The Wrath of Militant Islam*, (New York: Simon & Schuster, 1986).

¹⁶Ibid.

in Mecca during the annual Haj pilgrimage; more than 400 individuals died during the riots.

Even among the Shia, extremist campaigns are now conducted mainly by local rather than imported activists. Kuwait marked a turning point in 1987. The militancy witnessed during a series of 1983 bombings and a 1985 assassination attempt on the ruling emir had been tied to foreign Shia, mainly Iraqis and Lebanese who had Iranian connections. But, as of January, 1987, the gulf city-state began experiencing violence by home-grown Islamic groups who either anonymously claimed credit or whose members were later uncovered by Kuwaiti security forces. Most incidents involved explosions at oil installations or related targets. "The Forces of the Prophet Mohammed in Kuwait" claimed responsibility for the January sabotage at an oil installation on the eve of the Islamic Conference Organization summit in Kuwait; in June, six Kuwaiti Shia were sentenced to death for the attack. Eight other members of the group were also rounded up for distributing leaflets describing the government as "evil." The evidence undercut the sheikhdom's claims that the violence was all imported from Iran.

Kuwait's Shiite community accounts for about one-third of the population, including thousands of Iranian origin. The local Shia have had disproportionately high representation in the sheikhdom's oil industry and security forces, while the Sunnis have dominated government. In the past, Shia have complained that they have not reaped the benefits of oil wealth and its by-products as much as the Sunnis. Recent purges of Shia from sensitive positions and arbitrary deportations could further polarize the two sects. Iran does appear to have links with at least some of Kuwait's Shiite dissidents and may have trained some of the perpetrators of the attacks. But the fact that Kuwaiti citizens were involved indicated that the roots of unrest might not originate in Iran.¹⁷

Although the growth of fundamentalist and extremist Islam has been manifested in different ways and over different local issues in each nation, its roots have been nourished by a confluence of economic, cultural and political factors. Economically, Arab nations have all experienced severe problems, in part because the benefits produced—directly and indirectly—by the post-1973 oil boom have sharply declined. Kuwait's per capita income plummeted from over \$20,000 in 1980, (one of the highest in the world) to about \$10,000 in 1986. Middle East terrorism has also scared off many tourists and potential foreign investors in nations, like Tunisia and Egypt, which depended on them for foreign exchange. Meanwhile, development schemes based on moderniza-

tion, which has become synonymous with Westernization, have not led to anticipated progress or prosperity.

A sampling of the figures reveals a bleak picture: Egypt's foreign debt in 1987 hit an unprecedented \$44.1 billion, while annual food subsidies sapped the budget of \$6 billion. College graduates, who are guaranteed government positions, now have to wait five years for jobs. Tunisian agriculture has been hard hit by a drought. Unemployment estimates range between 15 and 25 percent.¹⁸ Economic failure was thus partially responsible for the disillusionment that led to questioning about the premises and priorities of development modeled on foreign systems and foreign values.

The emphasis on modernization, with its Western secular overtones, has also taken a toll on local cultures. Tunisia, for example, was highly secularized under Bourguiba. The veil was banned and daylight fasting during the holy month of Ramadan was discouraged to prevent drops in productivity. The overall impact has been to challenge a centuries-old element of a Muslim's identity. The Islamic resurgence is thus also in part a resistance to imitation of foreign cultures at the expense of local traditions.

Politically, Islamic fundamentalism provides an alternative in troubled times. In Egypt, neither the socialism of President Gamal Abdel Nasser in the 1960's nor the opening to the West initiated by President Anwar Sadat provided solutions to Egypt's problems. Although Mubarak is respected as a well-meaning and committed chief-of-state, his current government is also widely seen as indecisive; six years after he came to power, even many nonfundamentalists say that Mubarak's government is viewed as an interregnum.¹⁹ At times of uncertainty or malaise, a growing number of Arabs see Islam—the world's only major monotheistic religion that offers a system of government complete with rules of law—as a legitimate and logical alternative.

On a more general level, the Arabs' inability to make further headway on the Arab-Israeli dispute has also, after four decades, led to disillusionment with conventional ideologies. The only two "successes" in five confrontations have been linked with Islam: the 1973 war and the Shiite campaign against Israel's occupation of Lebanon between 1982 and 1985, which ended when Israel withdrew unilaterally from Arab territory without a single security guarantee for the volatile border or vulnerable northern Galilee.

Indeed, Israel's experience with Islamic fundamentalism since its invasion of Lebanon has been among the most interesting—and potentially volatile—develop-

(Continued on page 85)

¹⁷John Kifner, *The New York Times*, June 19, 1987, and Wright, op. cit., ch. 5.

¹⁸Interviews with State Department staff, November, 1987, and *Economic Trends in Egypt* (Washington, D.C.: Department of State, September, 1987).

¹⁹Interviews in Cairo, op. cit.

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"Although [Soviet General Secretary] Gorbachev's policies have led to greater Soviet influence in the Persian Gulf and the Middle East, Gorbachev is not yet in a position to transform this greater influence into predominance in the region."

Soviet Policy in the Middle East

BY MARK N. KATZ
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GENERAL Secretary Mikhail Gorbachev has waged a vigorous, and so far successful, campaign to improve the Soviet Union's image and increase its influence in the Middle East in general and the Persian Gulf in particular. As with all his domestic and foreign initiatives, Gorbachev's policy toward these areas appears to be new and bold. Yet, despite an increased willingness to talk with the Israelis, Gorbachev's policies differ little from those of his predecessors since the mid-1970's.

Gorbachev, like President Leonid Brezhnev, is seeking to improve Soviet relations with moderate Arab states. His peace proposals for both the Arab-Israeli conflict and the Iran-Iraq war are also similar to Brezhnev's. Indeed, there has been far more continuity than change in Soviet policy toward the region since Gorbachev came to power. Yet while Gorbachev's policies toward the Persian Gulf and the Middle East may be similar to those of previous Soviet leaders, he appears to be far more successful than they were in expanding Soviet influence beyond Moscow's traditional radical Arab allies.

Soviet foreign policy toward the Middle East suffered several setbacks in the early and mid-1970's. Egyptian President Anwar Sadat expelled most Soviet military advisers from Egypt in 1972 and abrogated his treaty of friendship and cooperation with Moscow in 1976. The Arabs widely blamed insufficient Soviet support for their defeat by Israel in the October, 1973, war. In addition, most Arab states came to the conclusion that Moscow had no influence over Israel, and that only Washington could influence that state. Many Arab governments—including radical Syria for a time—cooperated with the United States seeking a solution to the Arab-Israeli conflict. Moscow was on the diplomatic sidelines.¹

¹For an excellent account of Soviet foreign policy toward this region through the early 1980's, see Robert O. Freedman, *Soviet Policy toward the Middle East Since 1970*, 3rd ed. (New York: Praeger Publishers, 1982).

²A useful description of Soviet relations with Iran and Iraq through the early 1980's can be found in Aryeh Y. Yodfat, *The Soviet Union and the Arabian Peninsula* (New York: St. Martin's Press, 1983).

³Freedman, *Soviet Policy toward the Middle East*, chs. 8-9, and Mark N. Katz, *Russia and Arabia: Soviet Foreign Policy toward the Arabian Peninsula* (Baltimore: Johns Hopkins University Press, 1986), ch. 4.

⁴Katz, *Russia and Arabia*, p. 100.

At the same time, in the Persian Gulf, the Shah of Iran was a close ally of the United States. The conservative Arab monarchies (Saudi Arabia, Kuwait, Oman, Bahrain, Qatar and the United Arab Emirates) were also firmly linked with the West; except for Kuwait, they all refused even to exchange embassies with Moscow. Only in Iraq and South Yemen was the Soviet Union influential. But even in Iraq, the ruling Baath party did not hesitate to suppress the large Iraqi Communist party.²

In 1978-1979, however, the Soviet Union appeared to be gaining influence in the gulf and the Middle East. The American-sponsored Camp David Accord between Egypt and Israel alienated almost all Arab governments, since no provision was made for an independent Palestinian state. Most Arab governments broke relations with Egypt and criticized the United States for sponsoring an agreement that they felt sheltered Israel from having to make important concessions on the Palestinian issue. Not only did radical states like Syria come to rely more heavily on the Soviet Union, but even anti-Communist Saudi Arabia began the process of improving relations with Moscow. In addition, the stridently anti-American Ayatollah Ruhollah Khomeini's rise to power in 1979 led to the loss of Washington's influence in Iran. Moscow hoped to ally itself with Teheran on the basis of a common anti-American foreign policy.³

The situation changed, however, at the end of 1979, when the Soviet Union invaded Afghanistan. The Soviet Union's efforts to expand its influence, especially in the gulf, were seriously set back. Saudi Arabia immediately ended its flirtation with Moscow and organized the Islamic summit conference in January, 1980, which condemned the attack (only Syria and South Yemen refused to attend).⁴ Saudi Arabia and several other monarchies feared that the invasion of Afghanistan was part of a Soviet plan to advance to the gulf and eventually to attack or subvert them. Much to Moscow's dismay, these states increased rather than decreased their security ties with the United States and the West.

Soviet policy elsewhere in the gulf was not particularly successful either. When Iraq invaded Iran in September, 1980, Moscow quickly halted direct military assistance to Baghdad (indirect aid through third countries continued) and began helping Teheran. Because it borders the U.S.S.R., has a long coastline on the Persian Gulf and

Indian Ocean, and possesses a relatively large population, Iran was (and still is) a strategically much more important country to the Soviet Union than is Iraq. But the Soviet leaders were unable to gain influence in Iran. Khomeini brutally suppressed the Tudeh (the Iranian Communist party), gave military assistance to some *mujahidin* groups fighting Soviet troops and the Marxist regime in Afghanistan, and generally continued to denounce the U.S.S.R. as the other "great Satan."⁵

During 1982, Khomeini's forces were able to push the Iraqis out of Iran and into their own country. In addition to the problems an Iranian victory would pose for the West and for the moderate Arab states, Teheran threatened Soviet interests as well. The replacement of the Baath regime by a pro-Iranian regime in Baghdad would spell the loss of a long-standing (albeit difficult) Soviet friend. Nor could the Soviet Union expect to have greater influence over a victorious Iran. Thus the Soviet Union resumed direct military assistance to Iraq in 1982. Nevertheless, Moscow still sought to improve relations with Iran and to prevent the United States from restoring its influence there by continuing to ship arms to Teheran indirectly via North Korea, Vietnam, Syria, Libya and even some East European countries.⁶

The Iraqis were still angry that the U.S.S.R. had already cut off direct arms supplies to them and were not at all happy about the continued indirect transfer of arms to Iran. Thus, even after direct Soviet arms transfers to Baghdad were resumed, Iraq moved to improve its relations with the West, including the United States. In 1984, Washington and Baghdad restored diplomatic relations, which had been cut off since 1967. In the broader Middle East context, the Soviet Union was widely blamed by the Arabs for Syria's defeat when Israel invaded Lebanon in 1982. (The Soviet Union did, however, resupply Damascus with arms once the fighting was over.)

Yet even before Gorbachev became General Secretary, the Soviet image in the Middle East had begun to improve. After the Israeli invasion of Lebanon, the moderate Arab states became increasingly convinced that Washington would not pressure Israel to withdraw from the Arab territories it had conquered. Even conservative states like Saudi Arabia praised the Soviet Union's Middle East peace proposals that called for an international conference involving all parties to the dispute, including the Palestine Liberation Organization (PLO). Nor were

the Arabs impressed with American resolve when the administration of President Ronald Reagan withdrew the United States peacekeeping mission from Beirut after it had come under increasing attack from a variety of extremist Arab groups.

In addition, several moderate Arab states were frustrated by their inability to purchase the American weapons they wanted, because of congressional fears that these arms would be used against Israel. In 1984, both Jordan and Kuwait announced that because they were not allowed to buy certain American arms, they intended to purchase them from the Soviet Union instead. The stage was thus set for further Soviet foreign policy gains under Gorbachev.⁷

THE GORBACHEV ERA

Since Gorbachev came to power in March, 1985, Soviet leaders appear to have improved their ties significantly with all the major countries of the gulf. Moscow has managed the difficult feat of retaining its position in Iraq while improving relations with both the Gulf Cooperation Council (GCC) states and Iran.

Moscow's minimal relations with the GCC states began to expand soon after Gorbachev came to power. In late 1985, Oman and the United Arab Emirates agreed to establish diplomatic ties with the U.S.S.R. for the first time. Saudi Arabia, Bahrain and Qatar still have no formal relations with Moscow, but their informal contacts with the Soviet Union have increased.

The most important Soviet diplomatic breakthrough with the conservative Arab Gulf states, however, occurred in Kuwait. In 1986, Kuwaiti officials had asked the United States to protect their oil tankers from increasing Iranian attack in retaliation for Kuwait's financial and material support to Iraq. The Reagan administration initially refused, because it did not want to damage its secret effort to establish better ties with Teheran. Kuwait made the same request to Moscow, which agreed in early 1987. The United States government then immediately reversed itself and offered to protect all Kuwaiti tankers in order to exclude the Soviet Union from any role in the gulf.

In the aftermath of the Irangate revelations about the United States transfer of arms to Iran, Washington was anxious to restore its credibility as the principal protector of the GCC states against Iran. The Kuwaiti government, however, decided that it would receive a stronger American commitment if the United States had to compete for Kuwait's affections with the Soviet Union. Thus Kuwait chartered three Soviet oil tankers and transferred 11 of its own to American registry.⁸

For the Soviet Union, the Kuwaiti invitation was an important milestone in Moscow's efforts to improve relations with the conservative GCC states. Although the Kuwaitis had been buying some Soviet weapons since the mid-1970's, they were wary of moving too close to the U.S.S.R. By agreeing to protect Kuwaiti oil exports, for

⁵Yodfat, *The Soviet Union and the Arabian Peninsula*, pp. 123-131.

⁶David K. Shieler, "Level of World Arms Sales to Iran Regarded as Largely Unchanged," *The New York Times*, April 11, 1987.

⁷Joseph G. Whelan and Michael J. Dixon, *The Soviet Union in the Third World: Threat to World Peace?* (Washington, D.C.: Pergamon Press, 1986).

⁸Don Oberdorfer, "Soviet Deal with Kuwait Spurred U.S. Ship Role," *The Washington Post*, May 24, 1987.

the first time ever the Soviet Union gained an active role in defending the GCC states—a role that had exclusively belonged to the United States and Britain. The Soviet Union may have hoped that because it offered to protect the Kuwaitis, other GCC states (especially Saudi Arabia) would adopt a friendlier attitude. Moscow may also have hoped that this involvement would lead to the expansion of Soviet arms sales to Kuwait and to the initiation of such sales to other GCC states.

The Soviet Union, however, kept its arrangement with Kuwait in perspective. Moscow did not compete with Washington to be the superpower with the most naval vessels protecting the most tankers in the gulf. The Kremlin realized that a rapid Soviet naval buildup in the gulf would lead to an equal or greater American naval buildup. Even more important, the Soviet Union did not want to improve relations with the GCC at the expense of its long-standing goal of improving ties with revolutionary Iran.

But, of course, Teheran was angry that the Soviet Union had agreed to protect Kuwaiti shipping. In May, 1987, a speedboat reportedly operated by Iran's Revolutionary Guards attacked a Soviet freighter. The Soviet Union, however, did not retaliate; instead it played down the incident. Soviet media mentioned the attack, but insisted that no one was injured and little damage was done.⁹ Nor did Moscow raise a fuss when another Soviet vessel also struck a mine in May.¹⁰

Soviet minimization of the risks of conflict with Iran and its restraint after these two incidents stand in stark contrast to American behavior toward Iran. When one of the reflagged Kuwaiti tankers struck a mine, the United States government moved greater force to the region. Provocative Iranian actions were met by increased American force levels as well as by open discussion by United States officials about how the United States might retaliate against Iran.

As the war of nerves between Washington and Teheran escalated during the summer of 1987, the Soviet navy maintained a low profile in the gulf. Suddenly, in early August, 1987, Moscow and Teheran announced a major economic cooperation accord. The Soviet Union

agreed to build a pipeline to carry Iranian oil to the Black Sea. An additional connection between the Soviet and Iranian railway systems was also planned.¹¹

During the summer of 1987, the United States launched a major campaign to isolate Iran internationally as punishment for continuing the war. Washington succeeded in its efforts to have a United Nations Security Council resolution passed (with Soviet approval), asking both sides in the conflict to accept a cease-fire. As expected, Iraq accepted but Iran did not. The United States then proposed a Security Council resolution calling for an arms embargo against Iran until it accepted a cease-fire. The Soviet Union, however, made it clear that it would not vote in favor of such a resolution for the time being.¹²

Soviet diplomats tried to persuade Iran that while the United States was its enemy, the U.S.S.R. was its friend. They also tried to persuade all states of the region that American actions against Iran only heightened the prospects for increased conflict, but that the U.S.S.R. (and not the United States) could help bring peace to the gulf. Moscow argued that peace between Iran and Iraq was necessary so that the Muslim world could once more focus its united attention on Israel, the common enemy. The Soviet Union claimed that the continuation of the Iran-Iraq war served American and Israeli interests by distracting Muslims from the Arab-Israeli conflict.¹³

In the broader Middle East context, Soviet foreign policy has benefited from the further breakdown of American peace efforts and the wider acceptance of Soviet ideas for a Middle East peace conference. Instead of agreeing to bilateral Israeli-Jordanian negotiations as Washington and Tel Aviv had originally hoped, the King of Jordan announced that the talks must take place in the framework of an international conference that included the Soviet Union. The Labour wing of the Israeli coalition government headed by Shimon Peres also accepted in principle the idea of such a conference. The Likud wing of the government, however, remains opposed. Gorbachev has also succeeded in improving Soviet relations with Egypt. Moscow and Cairo signed an agreement to reschedule Egypt's approximately \$3 billion in military debts to the Soviet Union over a 25-year period. In the spring of 1987, the Soviet Union helped bring about the reintegration of PLO chairman Yasir Arafat with the mainstream of the Palestinian movement.¹⁴

In pressing his peace proposals for both the gulf war and the Arab-Israeli conflict, Gorbachev seemed to be making the implicit argument that since the Soviet Union was the only superpower that could talk with all sides of both conflicts, all sides should turn to Moscow to help resolve them. Further, since Washington cannot talk to all sides, the United States is unable to help bring about peace, but will only worsen both conflicts. This argument, of course, is similar to the one the United States used to make with regard to the Arab-Israeli conflict.

⁹Bernard E. Trainor, "Soviet Ship Attacked by Iran in Gulf, U.S. Says," *The New York Times*, May 9, 1987, and *Trud* (Moscow), May 12, 1987, p. 3.

¹⁰See English translation from Tass in Foreign Broadcast Information Service—*Soviet Union* (hereafter cited as FBIS), May 17, 1987, p. H1.

¹¹Philip Taubman, "Iran and Soviet Draft Big Projects, Including Pipelines and Railroad," *The New York Times*, August 15, 1987.

¹²"Gorbachev's Gulf, Too," *The Economist* (London), October 24, 1987, pp. 13–15.

¹³See, for example, Tass report in FBIS, June 25, 1987, pp. E1–E2.

¹⁴For an excellent analysis of Soviet policy toward the Middle East since Gorbachev came to power, see Galia Golan, "Gorbachev's Middle East Strategy," *Foreign Affairs*, vol. 66, no. 1 (Fall, 1987).

Although the Soviet Union has done little so far to actually resolve these two conflicts, Gorbachev has succeeded in convincing both Arab and Israeli moderates that Soviet participation can enhance the peace process and that attempting to exclude the Soviet Union, as the United States has suggested, is counterproductive.

CONCLUSION

While strengthening the Soviet position in the gulf and the Middle East, Gorbachev has not pursued policies that differ much from those of his immediate predecessors. The one new element is an increased Soviet willingness to talk with Israel. But if Soviet policy toward the region has not changed much under Gorbachev, political conditions in the region certainly have changed. These changes have led many states, which opposed a greater Soviet role in the region just a few years ago, to welcome a greater Soviet role or at least to reduce their objections to it.

In 1980, the conservative Arab states of the gulf were afraid of the Soviet Union because of its invasion of Afghanistan and its support for revolution in the Peninsula, especially through South Yemen. The South Yemeni-backed Popular Front for the Liberation of Oman, though largely defeated in 1975, had mounted cross-border raids into Oman as late as 1979. South Yemen was also supporting a Marxist insurgency against non-Communist North Yemen that was not defeated until 1982.

By 1984, the gulf states were less fearful of the Soviet Union. First, the U.S.S.R. was bogged down in Afghanistan and seemed unlikely to attempt to invade Pakistan or Iran. Second, South Yemen had ended its support for insurgencies and had normalized its relations with its non-Marxist neighbors. But these states still had little desire to see the Soviet role in the gulf increase at this time. Although Iranian forces had crossed over into Iraq, as late as 1984 the conventional wisdom was that Iraq could contain the larger but much less sophisticated Iranian armed forces indefinitely.

By 1987, however, the conservative states of the gulf had become extremely fearful that Iran might defeat Iraq and turn against them. Worried also about the strength of the American commitment to their defense, these states decided that a limited rapprochement with the Soviet Union might serve both as an additional disincentive to Iranian hostile actions against them and as an inducement to Washington to do more for them, out of the fear that it might be losing influence to Moscow.

The Iraqis had a strong incentive to retain friendly relations with Moscow even in 1980, when the Soviet Union cut off direct arms shipments to Baghdad in favor of Teheran: Baghdad sought to restrain the amount of Soviet assistance to Iran as well as to restore Soviet assistance to Iraq. In 1987, when Iraq's military situation was becoming increasingly desperate and dependent on the Soviet Union, Iraq had an even stronger incentive to re-

tain friendly relations with the Soviet Union despite Soviet overtures to Iran.

In the early 1980's, Iran may have been content to remain at odds with the rest of the world. However, by 1986-1987, Teheran was actively courting Moscow. Teheran realized that Soviet military aid to Iraq was one of the principal obstacles preventing an Iranian victory in the Iran-Iraq conflict. By holding out the prospect of stronger Soviet influence in Iran, Teheran sought to provide Moscow with an incentive to avoid increasing its military aid to Baghdad or cooperating with the United States in its attempt to cut Iran off from its external arms supplies.

Gorbachev's greater willingness to establish better relations with Israel, allowing more Soviet Jews to emigrate to Israel, combined with a certain war-weariness after the conflict in Lebanon, has encouraged the Israeli Labour party to be more receptive to the Soviet Union's Middle East peace proposals. Egypt and Jordan have also improved relations with the U.S.S.R. in order to induce Washington to be more supportive of their positions vis-à-vis Israel. They also hope to influence Moscow to be less pro-Syrian; however, Soviet-Syrian relations remain close.

Can the Soviets transform their greater presence and acceptability in the region into a long-term influence that might allow them to expand their role while diminishing American influence? Serious obstacles remain. While the fear of an Iranian victory has led the conservative Arab gulf states to welcome an increased Soviet role in the region, this fear has also led them to seek an even greater American and Western role in the region. These states have paid little attention to Soviet claims that the United States, the main source of tension in the gulf, should withdraw its military forces. They have no desire to see either Iran or the U.S.S.R. become the strongest military force in the region. The rapprochement between the Arab gulf states and the U.S.S.R. has taken place only because the gulf states perceive that they share common anti-Iranian interests with Moscow.

The improvement of Soviet relations with Iran has led to Arab apprehension over the Soviet Union's motives. What will the U.S.S.R. do if Iran appears on the verge of winning the war? Will Moscow seek to restrain Iran? The Soviet argument that Moscow, because it can talk to both Iran and Iraq, can help bring about peace becomes less persuasive as Moscow gives Teheran more political, economic and even military assistance. The improvement of Soviet-Iranian relations only provides further incentive for the Arab gulf states to rely on the United States, even if their hopes have not completely died that

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"The tanker war is now raging at full force and American military intervention is threatening to escalate the conflict, not contain it. Moreover, the intensification of the tanker war by Iraq since the summer of 1986 . . . demonstrates that the momentum of the war, especially the crucial land war, favors Iran. Hence, the need for a cease-fire is urgent."

The Iran-Iraq War and the Persian Gulf Crisis

BY R. K. RAMAZANI

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FROM the eruption of the Iranian revolution in 1979 to the Kuwaiti decision to seek superpower help in protecting its oil tankers in 1986, the gulf Arab states responded to the challenge of Iran for the most part without the direct protection of any outside power.¹ The Iranian challenge has been twofold.

Putatively, Iran is the most powerful country and ideologically the most revolutionary state in the Persian Gulf region. The Iraqi invasion of Iran in part reflected the response of Iraq's government to the perceived threat of revolutionary Iran. But the other gulf Arab states chose to contain the Iranian-inspired Islamic revolution and the spread of the Iraq-Iran war through a mixture of diplomatic conciliation, military deterrence and regional cooperation among the Gulf Cooperation Council (GCC) nations of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.²

More than any other GCC state, Kuwait had consistently stressed the importance of self-reliance in meeting the Iranian challenge. Yet, it was Kuwait that requested superpower protection of its oil tankers. Until recently, it was believed that the Kuwaiti decision reflected the shock of discovering that the United States had been secretly selling arms to Iran, the enemy of Kuwait's ally, Iraq. One Kuwaiti official said that Kuwait's request was partly designed to "test" the superpower commitment—especially that of the United States—"to protect moderate gulf states from Iranian aggression in the wake of the disclosures that Washington secretly supplied arms to Iran."³ But on October 18, 1987, a report issued by the United States Senate Foreign Relations Committee revealed that Kuwait first approached the United States and the Soviet Union in September, 1986,

three months before the events leading up to the United States decision to protect 11 Kuwaiti tankers. And, it should be added, about two months before the secret United States arms sale to Iran was first revealed.

Although the disclosures intensified the Kuwaiti hope for superpower protection, they were not the cause of it. Moreover, Kuwait probably played on United States embarrassment to persuade the Reagan administration to accept its request. In December, 1986, the Kuwait Oil Tanker Company, a government corporation, expressed the wish to have its threatened ships placed under the United States flag, and Kuwait's oil minister, Ali Khalifah al-Sabah, made a formal request in January, 1987. If the revelations did not determine Kuwait's request, what did?

THE KUWAITI REQUEST

Kuwait asked for superpower protection partly because of intensified Iranian attacks on its oil tankers. Iran had stepped up its attacks on Kuwaiti oil tankers in the summer of 1986, in retaliation for the unprecedentedly severe disruption of Iranian oil exports by Iraq. In turn, Iraq increased its attacks on Iranian oil terminals and on tankers arriving in and departing from Iran, in response to great losses of troops and territory in its land war with Iran. In 1984, Iranian forces seized parts of the artificial Majnoon Islands, and in 1986 they conquered the strategic Fao Peninsula. The loss of the peninsula was the greatest single territorial loss suffered by Iraq during the entire war. Subsequently, Iraqi aircraft raided Iran's main oil terminal at Kharg Island more than 100 times.⁴ Moreover, in August, 1986, the Iraqi air force attacked even the far-away Iranian oil transshipment station on Sirri Island at the southern end of the gulf.

The effects of the Iraqi attacks on Iranian oil tankers and terminals were traumatic. Although Iraq had failed for years to knock out the giant Kharg Island oil terminal, it had managed to damage several of its berths. By 1986, Iraq could hit Iranian oil shipments as far south as Larak Island in the Strait of Hormuz. The effects of Iraq's disruption of Iran's oil exports were felt more severely in 1986 than ever before, because the price of oil was being cut in half. The drastic fall in Iran's foreign-

¹For details, see R. K. Ramazani, *Revolutionary Iran: Challenge and Response in the Middle East* (Baltimore: Johns Hopkins University Press, 1986).

²R. K. Ramazani, "The Gulf Cooperation Council: A Search for Security," in William L. Dowdy and Russell B. Trood, eds., *The Indian Ocean: Perspectives on a Strategic Arena* (Durham, N.C.: Duke University Press, 1985), pp. 170-189, and R. K. Ramazani, *The Gulf Cooperation Council: Record and Analysis* (Charlottesville, Va.: University Press of Virginia, forthcoming).

³*The Washington Post*, May 5, 1987.

⁴*The Economist* (London), January 3, 1987.

exchange earnings, which resulted from the disruption of oil exports and the decrease in oil prices, threatened Iran's imports of arms, capital goods and foods.

Kuwait's need for superpower protection increased markedly in January, 1987, when another major Iranian land offensive sent new shockwaves through all the gulf capitals. On January 8, 1987, Iran launched its Karbala Five offensive on a wide front across the Shatt al-Arab River south of Basra, the second largest Iraqi city. Although an estimated 40,000 Revolutionary Guards died in this bloody battle, and Basra did not fall, the Iranian onslaught nevertheless demoralized Iraq and frightened Kuwait. The Iraqi population is about one-fourth the size of Iran's, thus Iraq's 20,000 dead were proportionately many more than Iran's. Moreover, the offensive led to a massive exodus of Iraqi inhabitants from the city of Basra. More than half its population of 1,000,000 fled in cars, on bicycles and on foot, turning the lively city into a ghost town.

Even this unprecedented external threat did not induce Kuwait formally to seek superpower protection of its oil tankers. The decisive factor was a new and ominous threat from inside its own borders. Ever since the multiple bombings in Kuwait in December, 1983, the tiny city state had experienced a series of terrorist acts against its internal security, including an attempt against the life of its ruler in 1985. All such acts had been attributed to outsiders, specifically the Shia underground group Islamic Voice (Al-Dawa), which is supported by Iran.⁵ But the bombings that occurred on the night of January 19, 1987, were the work of Shia citizens of Kuwait, who exploded three bombs, one at an oil well, another at an oil station in the al-Maqa oil field and a third at the Sea Island loading platform. Eleven suspects were arrested on January 31, 1987; five others were still at large. At the time of the arrest, according to the Kuwaiti police, large caches of weapons were also uncovered.⁶

Did Kuwait seek and acquire the advance approval of its partners in the GCC for its request? The record is ambiguous. Either Kuwait "confidentially informed" the other five GCC states that it felt compelled to ask for superpower assistance in protecting its ships and the "GCC gave a vaguely worded approval,"⁷ or the GCC states as a group did not approve the move and Kuwait acted on

its own, making the states of the lower gulf particularly "unhappy."⁸ Given the diversity of attitudes among the GCC states toward the superpowers and toward Iraq and Iran, Kuwait probably neither requested nor received the *formal* approval of the GCC.

But Kuwait's initiative must have been more than welcomed by Iraq. For years, Iraq's President Saddam Hussein had sought to involve the superpowers in the war against Iran, a war that Iraq had started but could not end. Although the Soviet Union supplied most of Iraq's arms, it was reluctant to side unambiguously with Hussein. Viewing Iran as the real strategic prize, Moscow did not wish to antagonize the Ayatollah Khomeini. Noting the Soviet double game in dealing with both belligerents, Iraq decided to concentrate on wooing the United States. The Reagan administration's indiscriminate hatred of Iran greatly helped Iraq's designs. To woo Washington, the Iraqi government moved quickly to remove the two major obstacles that had long stood in the way of its rapprochement with the United States; it softened its anti-Israeli posture and it distanced itself from international terrorism.

After a 17-year break, Washington and Baghdad had resumed diplomatic relations in 1984. Iraq must have tried to use the Reagan administration's embarrassment over the United States-Iran arms deal to persuade it to tilt even further toward Baghdad. After all, Iraq could claim that the arms sales to Teheran enhanced Iran's military capability in the war against Iraq. The United States protection of Kuwaiti tankers would make up for the harm done to Iraq by the United States sales of arms to Iran. It would rob Iran of one of its major instruments of retaliation against Iraq's disruption of Iranian oil exports.

UNITED STATES ACCEPTANCE

Why did the Reagan administration comply with the Kuwaiti request? Certainly not because of a high-minded commitment to the principle of freedom of navigation, a principle that it has so often invoked to rationalize its controversial decision. Before the reflagging of Kuwaiti tankers, according to the United States Department of State, even though the number of attacks on vessels had increased over the years, "the percentage of ships hit [was] still very small—less than 1 percent of those transiting the gulf."⁹ Most of these attacks were launched by Iraq, which had hit twice as many tankers as Iran.¹⁰ Iraq exported all its oil through various pipelines overland, because Iran had destroyed Iraqi oil export capability by sea in the first week of the war. Iran, however, has no outlet through pipelines and is, therefore, the country most dependent on free navigation in the gulf, without which it cannot export its oil.

The Reagan administration was no doubt deeply embarrassed by "Irangate" vis-à-vis its gulf friends, but it did not decide to reflag Kuwaiti tankers simply for that reason. If, indeed, the Kuwaitis first approached the

⁵Ramazani, *Revolutionary Iran*, pp. 32-54.

⁶*The New York Times*, February 3, 1987. On June 6, 1987, Kuwait's State Security Court sentenced six Kuwaiti Shia Muslims to death for subversion and sabotage, the first such order against Kuwaiti citizens. The 16 men who had been tried were said to be of "Iranian ancestry." Iran referred to them as "holy warriors." See *The Washington Post*, June 7, 1987.

⁷*The Washington Post*, May 24, 1987.

⁸*The New York Times*, June 12, 1987.

⁹See United States Department of State, *U.S. Policy in the Persian Gulf*, Special Report No. 166, July, 1987, p. 10.

¹⁰By October, 1987, Iraq had hit 266 and Iran 138 vessels. This calculation is based on the data published in *The Washington Post*, October 13, 1987.

Reagan administration in September, 1986—before Irangate—then United States embarrassment most certainly could not have been an issue. If they approached the administration informally in December, 1986, and formally in January, 1987—that is, after the revelations—then why did it take so long for the administration to consider the Kuwaiti request? The reason for this delay was that the administration had no real incentive to act until it learned that the Kuwaitis were flirting with the Soviet Union. Not until five days after March 2, 1987, when the United States government learned that Kuwait and the Soviet Union had reached a deal to be signed in 10 days, did the administration inform Kuwait that it would undertake to protect its oil tankers.¹¹

If there were ever any doubt that the administration rushed into accepting the Kuwaiti request mainly because of its contest for power with the Soviet Union, there could be no such doubt today. Secretary of Defense Caspar Weinberger believed that an American refusal to honor the Kuwaiti request “would have created a vacuum in the gulf into which Soviet power would shortly have been projected.”

But to leave the matter here would ignore the Iranian factor. The Reagan administration had satanized the Iranian revolutionary regime for years. President Reagan’s ill-prepared announcement of November 13, 1986, that the “Iranian revolution is a fact of history; [and] between American and Iranian basic national interests there need be no permanent conflict” was a political platitude rather than a change of attitude toward Teheran. What the President really thought about Iran came out later when he called it a “barbaric country.” The real reason for dealing secretly with Iran had been the President’s obsession with obtaining the release of American hostages, an obsession that the Iranians fully exploited to get the arms they needed for the war against Iraq.¹²

For years, Washington had in effect pursued a stern policy of containment toward Iran, based on the facile assumption that the defeat of Iraq by Iran would have a domino effect throughout the Persian Gulf.¹³ Reflagging the Kuwaiti tankers, Washington believed, would help save Iraq from defeat and the other Arab gulf states from falling, one after another, like dominoes. If the United States did not meet the Kuwaiti request, according to Defense Secretary Weinberger, “the gulf would soon become a monument to Iranian intimidation and indiscriminate attacks on shipping.” What Weinberger really meant was that in the eyes of the Reagan administration,

a fiercely independent Iran would aid the Soviet objectives in the gulf.

Just as in the 1951–1953 period when Washington equated Iranian nationalism with communism, it now equates Islamic revolution with Marxism. The underlying reason for these similar assumptions—the doctrinaire conception of the third world as an arena of Soviet–American political and ideological rivalry—does not allow for adequate consideration of crucial local and regional conditions.

IRAN’S REACTION

How did Iran react to President Reagan’s decision to reflag, and to provide naval escorts for, the Kuwaiti oil tankers? The Iranian reaction has been universally and mistakenly attributed to Iranian “embarrassment” over the United States–Iran arms scandal. The disclosures did cause concern among those Iranian leaders who had been behind the deals, but they certainly did not cause the unprecedentedly angry conflict with the United States that ensued. An examination of 40 statements made by various Iranian leaders between November 4, 1986—the day after the revelations first broke—and July 22, 1987—when the United States began naval escort operations in the gulf—reveals that Iranian leaders, including the foreign policy hawk Ayatollah Montazeri,¹⁴ retained the option of a dialogue with the United States for as long as 10 months after Irangate.

Even after President Reagan approved the reflagging of Kuwaiti tankers (March 7, 1987), Hashemi Rafsanjani, Speaker of the Iranian Parliament, kept that option open. In showing sympathy for the beleaguered President, he said on April 20, 1987, “We are not happy to have caused trouble for Reagan and the White House. We did not initially intend to. . . .” But once it became clear that the administration was providing naval escorts for the Kuwaiti tankers and that congressional opposition—on which the Iranians had pinned much hope—could not prevent it, Iranian anger burst into the open. Rafsanjani called the President “the wounded wolf.”¹⁵ And finally, on July 24, 1987, two days after the United States naval escort of reflagged Kuwaiti tankers actually began, he played down, for the first time, the prospects for “normalization of relations” with the United States.

As seen from Teheran, in committing itself to protect the Kuwaiti oil tankers by military means, the United States was clearly siding with Iraq against Iran in the war. Washington was no longer neutral either in the choice of its means or its ends. Its naval escorts protected only the oil tankers of Kuwait, Iraq’s close ally. This new commitment threatened to rob Iran of its major means of retaliation against Iraqi attacks on its oil tankers. The American naval escorts were also seen as one-sided in their overriding objective—to stop Iran from winning the war.

The massive American military buildup was perceived as a threat to Iran’s wider interests as well.

¹¹The Washington Post, May 24, 1987.

¹²See Ramazani, *Revolutionary Iran*, pp. 253–269.

¹³For the first critique of this assumption, see R. K. Ramazani, “Iran: Burying the Hatchet,” *Foreign Policy*, Fall, 1985, pp. 52–74.

¹⁴Foreign Broadcast Information Service, *Daily Report, South Asia*, November 10, 1986 (hereafter cited as FBIS-SA).

¹⁵Foreign Broadcast Information Service, *Daily Report, Near East & South Asia*, January 29, 1987 (hereafter cited as FBIS-NESA).

Ideologically, it challenged Iran's claim to religious primacy in the region. Politically, and more important, it represented an ominous attempt by yet another great foreign power in a long history of imperial rivalries to contain Iran's power and influence in its own backyard in the Persian Gulf. How would the United States feel, wondered the Iranians, if the Soviet Union deployed a similar armada in the Gulf of Mexico? As seen from Teheran, a few Soviet frigates and minesweepers in the gulf posed no significant threat. Iran called for the withdrawal of all foreign warships from the gulf region.

The reaction against the perceived American military intervention in the Iraq-Iran tanker war could not have found a more tragic expression than the eruption of riots at Mecca on July 31, 1987. Beyond the fact that several hundred Iranians died in the clash between Iranian pilgrims and the Saudi Arabian police, every other fact about the incident remains controversial. Not since President Jimmy Carter admitted the Shah to the United States in October, 1979, had any American action created such an emotional outburst as the entry of the first American naval convoy in the Persian Gulf on July 22, 1987. It took about 10 days, as in 1979, for the frustrated resentment of the masses to reach fever pitch.

The earlier mob demonstrations led to the seizure of the United States Embassy; these triggered the riots in Mecca. In the former incident, the frenzied crowds, spontaneously and without the prior approval of Ayatollah Ruhollah Khomeini, occupied the United States embassy. This time, the angry masses actually acted in violation of Khomeini's specific instructions and rioted in Mecca.

In his message of July 30, 1987, to the Iranian pilgrims, Ayatollah Khomeini had called for orderly demonstrations by the pilgrims who, as in previous pilgrimage ceremonies, had been given permission by the Saudi authorities to hold demonstrations. He urged that "the respected clergy, managers, and officials of the convoys and pilgrimage must make every effort to ensure that the hajj [pilgrimage] ceremonies will be conducted in a correct and orderly manner."¹⁶ "The House of Al Saud," he told the Iranian Cabinet later, sent him a message "thanking me for saying that there must be calm there."¹⁷

To the embarrassment of the Iranian Ministry of Foreign Affairs, the uncontrollable crowds ransacked the Kuwaiti and Saudi embassies in Teheran. To prevent

¹⁶"Khomeyni Message to Hajj Pilgrims, Part III," in FBIS-NESA, August 3, 1987. For Parts I and II of the message, see FBIS-NESA, July 30, 1987, and July 31, 1987.

¹⁷See "Khomeyni Address to Cabinet," in FBIS-NESA, August 25, 1987.

¹⁸See "Nationwide March Announced 2 August; Appeals for Calm," in FBIS-NESA, August 3, 1987.

¹⁹R. K. Ramazani, "Iran," in Richard F. Staar, ed., *1987 Yearbook on International Communist Affairs* (Stanford: Hoover Institution Press, 1987), pp. 432-436.

²⁰Foreign Broadcast Information Service, *Daily Report, Soviet Union*, February 19, 1987.

²¹FBIS-NESA, June 16, 1987.

the recurrence of such incidents, on August 2, 1987, when a massive demonstration in Teheran in commemoration of the "martyrs of Mecca" was scheduled, the Iranian government repeatedly warned the angry crowds against "emotionalism," "scattered demonstrations" and "occupation of embassies."¹⁸ None of these facts have been reported to date in the Western media.

THE SOVIET CARD

It was in keeping with the historical character of its foreign policy for Iran to play the Soviet card in reacting to the perceived American intervention in the Iraq-Iran tanker war. The revolutionary regime's foreign policy doctrine of "neither East nor West" does not preclude a little tilting to either side if it serves Iranian interests. During the hostage crisis of 1979-1981 when the West, led by the United States, imposed diplomatic and economic sanctions on Iran, Teheran's relations with Moscow warmed up temporarily. But on the whole, the Soviet-Iranian rapprochement never got off the ground until the American military presence in the gulf began to increase. In 1986, to be sure, Iran had signed its first economic cooperation protocol with Moscow to resume the activities of the Soviet-Iranian Permanent Commission for Joint Economic Cooperation after a six-year suspension.¹⁹

Yet Soviet-Iranian differences, especially over the Iraq-Iran conflict, continued to prevent a Moscow-Teheran rapprochement. Despite the fanfare, the visit of Iran's foreign minister, Ali Akbar Velayati, to Moscow was marred by these differences. In summarizing them frankly on February 13, 1987, Andrei Gromyko, chairman of the U.S.S.R. Supreme Soviet Presidium, categorically told Velayati

Our evaluation of this war and your views on it do not agree. . . . The Soviet Union is invariably in favor of bringing the war to an end as soon as possible and immediately setting the conflict on the road to peaceful political solution.²⁰

Even as late as May, 1987, the Soviet Union complained about Iran's "unfriendly" statements on the Soviet Union, but once it was clear that the United States was forging ahead with plans for providing naval escorts for the Kuwaiti tankers, Soviet-Iranian relations began to warm up. After leaving Iran, where he had headed a political delegation, Soviet Deputy Foreign Minister Yuliy Vorontsov said on June 15, 1987, "The United States armed forces have no business in the region."²¹ Ever since, Iranian leaders have showered the Soviets with

(Continued on page 86)

R. K. Ramazani's latest books are *Revolutionary Iran: Challenge and Response in the Middle East* (Baltimore: Johns Hopkins University Press, 1986), and, with the assistance of Joseph A. Kechichian, *The Gulf Cooperation Council: Record and Analysis* (Charlottesville: University Press of Virginia, forthcoming).

"Long-awaited and long-needed changes in the basic structure of the Israeli economy are necessary to enable it to compete successfully in world markets. . . . The success of Israel's economic recovery depends on the productivity of its work force, the utilization of Israel's human resource skills and the quality of Israel's leadership."

Israel at Forty

By BERNARD REICH

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IN May, 1988, Israel will celebrate 40 years of independence. It has been a dramatic and traumatic four decades, with major and significant accomplishments as well as many and diverse challenges. Israel's position in the Middle East and in the broader international community remains uncertain, at a time when Israel continues to wrestle with crucial domestic problems. Many of the issues that face Israel today have confronted the state for much of its existence and are likely to continue to do so.

Israelis will go to the polls in 1988 to elect their twelfth Knesset (Parliament). The candidates and the electorate will confront the issues of political leadership, the economy and the perennial problems of war and peace, in the broader context of Israel's international position. The election is not likely to alter dramatically the electoral pattern exhibited in 1984—that is, inconclusive election results where no party secured a majority and no grouping became the clear and obvious choice to form a government. Israelis were (and continue to be) divided on the key foreign policy, political, economic, social and religious issues facing the country. This disunity proved to be the main factor that led to and complicated the formation of the National Unity Government (NUG) that was established in September, 1984, and contributed to the virtual paralysis of decision-making on some of the key issues facing the country. The coalition was a new experiment in Israeli politics. The 1988 election will require Israelis to reassess the consequences of the 1984 vote and of the establishment of the NUG that has governed Israel since, but it is not likely to result in a more clear-cut result for either major contender.

The NUG has had some significant achievements—a period of relative stability for the average Israeli that includes an improved economic situation and the end of Israel's war in Lebanon. Labor leader Shimon Peres (who served as NUG Prime Minister from 1984 to 1986) and Likud leader Yitzhak Shamir (who served as NUG Prime Minister from 1986 to 1988) were each given an opportunity to demonstrate their political talents and leadership skills. The "rotation" of the two leaders in the

Prime Minister and foreign minister positions demonstrated that, despite the division in the Israeli body politic, compromise and cooperation could assure some achievements.¹

The quality of Israel's leadership remains a major political issue and is likely to be a central feature of the election campaign. Many see the current leadership as lacking in dynamism and charismatic appeal. The generation of the giants or founders (like David Ben-Gurion and Menachem Begin) is over and leadership has shifted to another group that brings different (some argue fewer) talents to the leadership of the state. In this generation, a new leadership is slowly emerging. It is younger and is shaped by a disparate set of experiences with diverse historical perspectives and attitudes and with very different constituencies. Much of the newer leadership may emerge from the growing political right and is likely to focus on the increasing demographic and political weight of the Oriental Jewish population. The younger generation of leaders seems to be emerging from the development towns and other municipalities. Some have made it to positions in the Knesset, and they represent a wide range of talents. There are more members of the younger generation in the ranks of Likud than of Labor, but both the major blocs and their allies share in the new generation of leadership.

A related issue is the formation of a national unity government and the associated problem of decision-making by strong leadership rather than lowest common denominator consensus. The experience of the NUG suggested that it could deal with issues on which there was agreement between the partners, and on which there was a broad national consensus, like the problems of Lebanon and of hyperinflation. Although action could be achieved in those areas, little could be accomplished in other sectors requiring a bold initiative or a major action, or where there was discord or potential disagreement—a stalemate of policy occurred on matters like the peace process. The need or desire for compromise prevented any dramatic changes or fundamental alterations in the way the government or the country could act. The result promoted a sense of stability, but it also assured that there would be no daring decisions and no clear direction for the state—there was a lack of leadership, and there

¹For further details on the NUG and the politics of rotation, see Bernard Reich, "Israel's Year of Transition," *Current History*, vol. 86 (February, 1987), pp. 69-72.

was often government paralysis on important decisions.²

The question of leadership focuses on the individuals at the pinnacle—Shimon Peres and Yitzhak Shamir. When Peres left the office of Prime Minister in 1986 he had very high public confidence and support, and it was widely believed that Shamir could not emulate his success. Shamir soon confounded the pundits and his critics by proving that he was politically adept despite his less flattering overall public image.

In contrast to most of Israel's senior political figures, Shamir is a taciturn, low-key figure with a penchant for private (or secret) rather than public actions. Some Israeli observers regard Shamir as dull and some see him as a boring speaker. Shamir's lack of public dynamism and of charisma (which Peres also lacks) has often led his opponents to underestimate his strengths, which latter have proved increasingly formidable; in a series of political challenges he has proved able to outmaneuver Peres and to win the political battles needed to assure the continuity of the NUG. Shamir has thwarted Peres, but he also has been able to maintain positive if not friendly relations with the smaller political parties, both the religious parties and those to the right of the Likud party.

Challenges to Shamir also have come from within his own Likud party, and from those like Ariel (Arik) Sharon, who seek to succeed him as leader of both the party and the government. But Shamir has been able to retain his leadership position and to maintain control over the younger and more rightist elements of the party.

Despite Shamir's various successes, Peres retains substantial credibility and public confidence, partly because of his association in the public mind with the end of the Lebanon war and with the control of inflation, and partly

²Government paralysis was reflected in the lengthy Peres-Shamir dispute over the appointment of a new ambassador to Washington to succeed Meir Rosenne. Eventually, Moshe Arad, a career diplomat, was chosen. The post in Washington is arguably Israel's most important and prestigious, and remained vacant for months as Peres and Shamir argued over a possible replacement.

³Reich, op. cit., p. 70. In November, 1987, the Shin Beth scandal intensified with the issuance of a report by a judicial commission of inquiry, headed by former Supreme Court President Moshe Landau. The commission examined the Shin Beth's interrogation methods and found that since 1971 the service had on many occasions lied to the courts in connection with the methods with which confessions were extracted from suspects. The commission repeatedly praised the Shin Beth's success in fighting terrorism and recommended that none of those responsible or involved be put on trial. For details of the report, see *Jerusalem Post* (International Edition), November 7, 1987.

⁴Israel's role in the Irangate affair came under scrutiny during the United States congressional hearings into the affair. Israel's precise actions did not emerge clearly and the apparent effect on the nature of the United States-Israeli relationship seemed virtually nil. Wide-ranging United States political and strategic cooperation was sustained and broad United States support for Israel including economic and military assistance appeared to be unaffected.

⁵See Bernard Reich, "The Changing Strategic Balance in the Middle East," *Global Affairs*, vol. 2 (Spring, 1987), pp. 51-66.

because his approach to Jordan and his pursuit of the peace conference idea have been viewed positively in some quarters. Nevertheless, once Peres moved from the Prime Minister's office to that of the foreign minister, he suffered from a number of complications.

In his desire to move ahead, Peres and his relatively inexperienced aides miscalculated with regard to various aspects of the peace process and the associated political process. Much of what he had achieved in negotiations with King Hussein of Jordan could not be moved through the Cabinet—Peres could not prevail against Shamir's opposition to gain support for the international peace conference idea. Nor could he secure sufficient support in the Knesset. At the same time, Peres and the Labor party have been unable to terminate the NUG and force early elections; Shamir has been able to retain sufficient support to retain power at least until the 1988 elections.

Tired leadership was a theme of Israel's political life in 1987. Disappointment was increasingly expressed by the media and other public commentators, and there was a good deal of cynicism and criticism. Public confidence was affected as the populace worried about blunders, cover-ups and scandals that have plagued the system in recent years, like the Pollard affair, the Shin Beth (General Security Service) scandal,³ the Iran arms affair⁴ and the war in Lebanon and its aftermath. Israelis seemed concerned about various aspects of these issues—their effect on Israel's international image and standing (especially in the United States) as well as their domestic implications. The involvement and behavior of Israel's leadership was questioned.

There appears to be a growing restiveness and weariness among Israelis despite a basically conservative approach that prefers the existing system to any dramatic change. The triumvirate is seen as tired and as overstaying its "welcome." There is a more pervasive concern that the old leadership increasingly may be just old and not leading, focusing on political and to some extent self-serving objectives, and not committed to the good of the nation. This concern could evolve into a growing desire for new leadership.

THE DILEMMA OF WAR AND PEACE

Since independence, Israel has been faced with the issue of survival in a Middle East that is hostile to it; this issue has led to two interrelated themes central to the state: girding for war and striving for peace.

Israel has fought in six wars (1948-1949, 1956-1957, 1967, 1969-1970, 1973, 1982) and countless skirmishes with the Arabs since its independence, and the prospects for war remain. The state has built an impressive but costly military capability with which it has won a series of military victories, and it holds a strategic edge over its Arab neighbors.⁵ Nevertheless, Israel must remain prepared for combat at an increasingly sophisticated and expensive level. Its war footing, as well as ancillary ac-

tivities like military occupation, have raised issues of an ideological and of a moral nature.

Israel's need for peace is not a subject of debate in Israel, although the means to that end are. The problem of terminating the Arab-Israeli conflict remains a dominant but divisive theme in Israeli foreign policy. In the absence of a Sadat-like direct, official and public Arab willingness to negotiate for peace, Israel is divided on the questions of peace and appropriate negotiations.

During the first years of the NUG, there were periodic flurries of activity. The Peres summit meeting with King Hassan of Morocco and the resumption of a dialogue with Egypt, which led to the agreement to arbitrate the Taba dispute and to the Alexandria summit meeting between Peres and President Hosni Mubarak of Egypt (as well as the return of Egypt's ambassador to Israel), were positive factors, although little was achieved in the way of short-term practical results. Nevertheless, the peace process focused on the possibility of a Jordan option and on the status of the West Bank and the Gaza Strip. The prospects for peace focused on King Hussein and the mechanisms for negotiations between Israel and Jordan. Peres is committed to a Jordan option and to territorial compromise with regard to the West Bank and the Gaza Strip. Shamir is inclined toward the concept of Israeli retention of Eretz Israel (Greater Israel), and he thinks in terms of Jewish settlements in the West Bank and Gaza.

Increasingly, the discussion has centered on an international conference as the alternative to beginning the peace process with direct negotiations between Israel and Jordan. The proposal has focused on an international conference that would involve the permanent members of the United Nations Security Council and all the parties to the conflict. Various issues have emerged, most notably the participation of the Soviet Union and Palestinian representation. Within Israel, there has been a split. Peres argued for the effort, while Shamir demurred.

The strongest argument for the conference is that there is no other option. All efforts to achieve direct negotiations without international auspices have failed. The demand for direct talks in the absence of such a conference is unrealistic, because Hussein is prepared to move forward only in the framework of an international umbrella. The international conference would lead to direct negotiations in subsequent bilateral committees. There is precedent in the successful December, 1973,

⁶For an elaboration of these views, see Abba Eban, "Yes, Hold Another Middle East Conference," *International Herald Tribune*, May 25, 1987. Abba Eban is a leading Labor member of the Knesset and former Israeli foreign minister.

⁷*The New York Times*, July 26, 1987.

⁸With the apparent stalemate there has been a growing tension in the occupied territories, especially in the West Bank and the Gaza Strip. There were further clashes between Israelis and Palestinians in the Gaza Strip, Jerusalem and the West Bank in 1987, and some Israelis and Palestinians have been killed or wounded. Some saw the demonstrations, especially those in the Gaza Strip, as the result of a growth of Palestinian nationalism and its coincidence with Islamic fundamentalism.

Geneva conference, in which both the United States and the Soviet Union participated; the Geneva conference ultimately led to all subsequent Arab-Israeli agreements. An international conference would not contradict the Camp David accords.

The time is appropriate; Israel has never been in a better strategic position (its general international diplomatic position has improved while its relationship with the United States has reached an all-time high). A conference is less risky than the status quo, which could lead to fundamentalist violence and radicalism as well as potential conflict. The Palestine Liberation Organization (PLO) would be barred from participation. Such a conference would not permit any imposed solution, and the Soviet Union could not convert it into a coercive atmosphere to achieve its goals.⁶

Those opposing a conference have suggested that there is no valid precedent. All successful Arab-Israeli agreements since 1949 have been bilateral. Since 1974, the agreements have all been concluded under United States auspices and/or with United States assistance, so there is no need to change the formula. Opponents believe that the timing is not auspicious, because Israel's government and population are divided. An international conference would undermine the principle of direct negotiations, would enhance Soviet prestige in the region, would lead to a possible invitation to the PLO and would increase international pressure on Israel through the sheer numbers of the participants. The conference might provide an opportunity to impose on Israel a solution that would be a threat to its security, and Israeli withdrawal from a coercive conference would be damaging to its international standing, even if the United States were to accompany its withdrawal.

Moshe Arens, at the time a Likud minister without portfolio, argued in the summer of 1987 that a conference with Soviet participation

cannot provide the proper framework and pressure-free atmosphere needed to resolve what is not merely a question of territory and borders but of Israel's very existence. It can only severely harm Israel and increase Soviet power and prestige in the Middle East.⁷

The opposing points of view with regard to an international conference reflect the division in Israeli opinion and contribute to the stalemated peace process.⁸

ISRAEL AND THE SUPERPOWERS

Related to the issue of an international conference is the role that the Soviet Union might play. At the heart of that question is the formal relationship between the Soviet Union and Israel as well as the status of Jews in the Soviet Union and their right to emigrate. The issues are complex and their resolution is difficult. Moshe Arens has summarized them in the following terms:

The Soviet Union has refused to restore diplomatic relations with Israel, which it severed 20 years ago; it supports ter-

rorist organizations, arms radical Libya and Syria to the teeth, regularly votes to expel Israel from the United Nations and . . . prevents free Jewish emigration. It recently sponsored reunification at the PLO on a platform calling for continued terrorism and the dismantling of Israel.⁹

For both Israel and the United States, these are serious questions that require positive responses before there can be a Soviet role in the peace process.

Speculation concerning improved ties between Israel and the Soviet Union has been a consequence of Soviet glasnost, an apparent desire on the part of the Soviet Union to improve its links with the United States and a Soviet effort to improve and legitimize its position in the Middle East. At the same time, the improvement of relations between Israel and several East European states has contributed to the positive climate. In September, 1987, Israel and Hungary announced agreement on the establishment of "interest sections" in each other's capitals;¹⁰ Poland established similar relations with Israel in October, 1986.

The dialogue between Israel and the Soviet Union has taken various forms. In April, 1987, Peres met with Soviet officials in Rome and contact was continued in the wake of those discussions. In July, 1987, a Soviet consular delegation arrived in Israel for a multi-month visit to deal with various "consular" issues. Peres and Soviet Foreign Minister Eduard Shevardnadze met in New York in connection with the United Nations General Assembly in the fall of 1987. Peres subsequently reported positive changes in the Soviet position that, he believed, augured well for the future relationship. In addition, Peres could point to an increase in Soviet Jewish emigration despite the lack of a formal commitment establishing a guaranteed emigrant flow.

The primary question remains whether substantive progress can be made, in view of the diverse concerns and agendas of the two parties. Marginal and minimal progress and improvements have occurred, but no major breakthrough has followed. Diplomatic relations have not been restored; regularization of Soviet Jewish emigration has not been achieved; and the Soviet Union has not been accorded Israel's welcome at a potential international conference to deal with an Arab-Israeli peace. Within the Israeli government there is a difference over priorities—Peres seems more focused on the idea of the international conference, while Shamir tends to put more emphasis on the status of Soviet Jewry.

Despite continued effort to improve the Israeli-Soviet relationship, Israel's special relationship with the United States remains central; it reached an all-time high of cooperation and euphoria during the NUG. The relationship was positive in virtually all sectors, including strategic cooperation and broad agreement on political themes and issues. The United States and Israel have

entered an "era of good feeling" that has become pervasive in both the legislative and executive branches (the latter under the leadership of President Ronald Reagan and Secretary of State George Shultz). This has occurred despite some major problems.

THE LAVI DECISION

At the end of August, 1987, the Israeli Cabinet decided, by a vote of 12 to 11 with one abstention, to terminate the Lavi jet fighter project. The Lavi had been designed specifically to meet Israel's military air needs, and there was some hope that this would make Israel less dependent on foreign military supply. It was seen partly as a mechanism for moving toward new technologies and technological advances for Israel. For some, the Lavi was a symbol of Israel's "can do" philosophy—the view, bred of Zionism's origins, that Israel could accomplish virtually anything. The Lavi cancellation suggested that there are limits on what Israel can accomplish—limits more of an economic nature than of capability.

The project was canceled for a variety of reasons that included its cost and the economic burden it placed on Israel; displeasure with the program in the United States Department of Defense and the consequent suggestion that there were better alternatives available to Israel; and division within the Israeli general staff over the utility and importance of the project, especially when other programs were competing for scarce resources. The Israeli Cabinet was concerned that United States aid and, potentially, the overall relationship would be negatively affected, since much of the multibillion-dollar development cost came from the United States.

The United States exerted pressure on Israel to cancel the project, arguing that there would be significant cost overruns, that Israel's estimates of costs were inaccurately low and that Israel could not count on receiving the essential funds from the United States to continue the project. The United States argued that Israel would be better off buying advanced American fighter jets.

Opposition to the project built slowly. The Israeli military seemed to believe that the Lavi project was draining resources from other military research and development. The Finance Ministry held that Israel could not afford the project, especially if it were to maintain the economic austerity programs instituted by the NUG, which had brought inflation under control. However, the Lavi had become a popular and employment-producing project—therefore politically difficult to end.

Although many Israelis accepted the apparent logic of
(Continued on page 88)

⁹Moshe Arens, "Mideast Peace Talks May Mean War," *The New York Times*, July 26, 1987.

¹⁰*The New York Times*, September 15, 1987.

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"Ideologically, Ankara continues to face West. But if political criticisms continue in Western forums and if unreasonable demands are made on Turkey that impinge on its sovereignty, it is very likely that the result will be damaged relations with the West, which could ultimately undermine the crucial role Turkey plays as a barrier to Soviet expansionism in the Middle East."

The Politics of Transition in Turkey

BY JAMES BROWN

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THE transition from military to civilian rule is now complete in Turkey. This process was initiated in November, 1982, with the election of General Kenan Evren as President of the Republic, and culminated in November, 1987, with parliamentary elections. In these elections, the formerly banned politicians, namely, former Prime Ministers Suleyman Demirel and Bulent Ecevit, took part, and Prime Minister Turgut Ozal's Motherland party was victorious.¹ This election was a milestone in Turkey's political evolution.

It was in September, 1980, that the Turkish armed forces seized power because of the chaos that pervaded Turkish social, economic and political life. Before this time, terrorism and murder were the currency of political competition for both the left and the right. This brought responsible government processes to a virtual halt. Under military rule (1980-1983), safeguards were instituted against a recurrence of widespread violence and political paralysis. One such safeguard was the constitutional provision that banned the leading opposition figures (and some hundred or so lesser ones) from active involvement in politics until 1992. The bans were lifted in a cliff-hanger special referendum held on September 6, 1987.²

¹The Constitutional Court, Turkey's court of last resort, declared on October 9, 1987, that Article 8 of the Election Law was unconstitutional. The Court's 6-5 decision concerned only the process of selecting candidates. This decision forced Prime Minister Ozal to reconvene Parliament to amend the election law and to change the election day from November 1 to November 29, 1987. In the results of the election, Ozal and the Motherland party won 292 of 450 seats in Parliament, while the Social Democrats won 99 seats and the True Path party of Suleyman Demirel took 59 seats. Bulent Ecevit failed to gain the 10 percent needed for parliamentary representation and announced his withdraw from active politics.

²The margin of victory to lift the bans on the politicians was quite close. For a detailed discussion, see *Middle East International*, September 29, 1987.

³Turkey's formal application to the EEC was made in May, 1987, and is being studied by the commission, which is anticipated to take 2 to 5 years to complete its work. Ankara hopes to be in a position to join, by the turn of this century.

⁴*Turkey: OECD Economic Survey, 1987* (Paris: Organization for Economic Cooperation and Development, 1987), p. 7.

⁵*Country Report: Turkey* (London: The Economic Intelligence Unit, 1987), pp. 3-4.

This restored Turkey's political respectability in the international community, especially in West Europe, as a nation dedicated to democratic principles. It also allowed Ozal to continue to pursue his economic policies vigorously.³ His overall plan is to improve the economy so that Turkey can compete with European industries, positioning the economy to take advantage of its European Economic Community (EEC) associate membership.

No single factor plays as major a role in determining Prime Minister Turgut Ozal's tenure in office as his efforts at economic revitalization. His blueprint continues to follow the direction he established in the late 1970's, while he was overseeing the economic portfolio in Suleyman Demirel's government, before the military takeover. At that time, Ozal initiated policies directed at transforming the economy from a highly state-directed, inward-looking entity to a growth-oriented, export-driven economy based on free market forces. It was Turgut Ozal's promise of a consistent, far-ranging economic program that won him the support of the Demirel government and Turkey's creditors in 1979, then of General Evren and his cohorts in 1980, and of a majority of Turkish voters in 1983.

Throughout the 1980's, Ozal's overriding aim has been to turn Turkey into a powerful trading and industrial state. Measures have been introduced to simplify administration, and to liberalize foreign trade and capital and exchange transactions. There has also been an emphasis on the development of money and capital markets. As for fiscal policy, greater autonomy given to local administrations has resulted in improved public services, while the operation of special investment funds seems to have speeded up investment in infrastructure and housing. Improvements in tax collection following the introduction of a value-added tax in 1985 have helped to keep general government budget deficits in the region of 2 percent of gross national product (GNP).⁴

These reforms have brought an impressive stream of benefits for Turkey. The GNP grew at a rate of 8 percent in 1986 and of 6.8 percent in 1987. It is estimated to expand in 1988 at a rate of 5 percent, led by both public and private investment and strong consumer demand.⁵ However, the Ozal government faces a greater challenge

in bringing down inflation and unemployment rates, and halting the decline in real income. The inflation rate is now estimated at about 40 percent, while the unemployment rate is an estimated 20 percent. The tightening of both budgetary and monetary policy in 1988 should reverse the upward trend in inflation. Even these shortcomings will be grudgingly accepted by the Turkish people, as long as they continue to believe that Prime Minister Ozal and his programs will eventually succeed. Their aversion to violence still persists and no viable alternative government exists on the horizon. Ozal's future success will depend in part on public and military confidence that his government can maintain domestic stability and can prevent a resurgence of the civil unrest of the late 1970's.

THE KURDISH PROBLEM

The interplay of economic and security issues is most evident in southeastern Turkey. This is the home of Turkey's largest minority, the Kurds, who number between 8 million and 10 million and are the resident majority in eight provinces bordering Iran, Iraq and Syria.⁶ Kurdish unrest in southeastern Turkey is by no means a recent development. Since the early nineteenth century, this region has experienced periodic uprisings and other forms of Kurdish resistance.⁷ The present phase of violence that began in August, 1984, has combined several features of modern guerrilla warfare not heretofore utilized in Turkey.⁸ Today's insurgents are waging a tactically astute, hit-and-run campaign exclusively in the rural, sparsely populated countryside. These elements are apparently benefiting from substantial foreign training and material support abetted by cross-border safe havens in northern Iraq, western Iran and Syria.

Although most Kurdish peasants are loyal to Ankara, they have resisted assimilation because of their traditional orientation and tribal communal structure. A small minority belong to the Kurdish Peoples party (PKK), which emerged in the late 1960's. Its ideology is a combination of Marxism-Leninism and ultranationalism; its ultimate goal is the establishment of an independent Kurdish state under Communist rule in southeastern Turkey.

Because of the recent escalation in terrorism and loss of life, Ozal has developed a series of short- and long-term measures aimed at curtailing violence. For the short term, the new post of regional governor was created in

⁶These provinces are Bingol, Diyarbakir, Elazig, Hakkari, Mardin, Siirt, Tunceli and Van. Martial law was lifted in this area in July, 1987.

⁷Dankwart A. Rustow, *Turkey: America's Forgotten Ally* (New York: Council on Foreign Relations, 1987), pp. 38-39.

⁸In the last six months of 1987, over 125 people lost their lives, many of these women and children, to PKK attacks.

⁹Turkey has had a long-standing agreement with Iraq that permits Ankara to pursue the PKK into Iraqi territory in order to attack Kurdish strongholds.

¹⁰Rustow, *America's Forgotten Ally*, p. 41.

¹¹Ibid., p. 84.

July, 1987, for the purpose of coordinating the efforts of security forces in the southeast by making them more responsive to the insurgency there. More recently, Ankara reached an agreement with Syria for cooperation between the two nations on security matters. Syrian authorities have indicated they would prevent the PKK from using Syrian territory as a base of operation.⁹

Ozal's economic development programs for the long term are twofold. The first program is Ankara's effort to bring a basic infrastructure—roads, electricity and schools—to all parts of this region by the end of the decade. This target will most likely be met. The second program is the enormous Southeast Anatolian Project (GAP) to harness the Tigris and Euphrates rivers to produce billions of kilowatt-hours of electricity and to irrigate millions of acres of land across the southeastern provinces. The centerpiece of this effort is the Ataturk Dam, the fifth largest dam in the world, which is scheduled to be completed in the 1990's. Beyond this project, the GAP envisions an additional 10 dams and 13 separate development schemes over the next 30 years.¹⁰ Upon completion, the GAP, more than other organizations, has the potential to change the face of southeastern Turkey over the coming decades, and will go far in assisting in the integration of the Kurds, both economically and socially, with the rest of Turkish society.

FOREIGN POLICY

In contrast to the frequent internal changes on the Turkish domestic scene, Ankara's foreign policy has displayed remarkable continuity. Indeed, Turkey's external relations have been marked by a long-term perspective, by a sense of responsibility, and by a realism that is found in few developing countries and is far from universal even among the democracies of the West.¹¹

In the post-World War II era, Ankara was enthusiastic in its efforts to forge links with the West; yet by the 1960's, a large segment of Turkey's population became sharply critical of the United States over Cyprus and other issues; and by the 1970's, rapprochement was sought with the Muslim countries of the Middle East and even with the Soviet Union.

Historically, continuity of foreign policy survived the intense political controversies that shaped Turkish politics even during the 1970's. It was a given that details of policy would be shaped by career officials. After 1980, both the military government and, later, Ozal's government continued to entrust the foreign ministry portfolio directly to career diplomats. Within this framework, Turkey's leaders have tried to reconcile the apparent contradiction in the country's strategic geographic position and in its heritage.

Since the late 1940's, Turkey's foreign policy has been inescapably linked with both the United States and the Soviet Union. Relations with the Soviet Union were a cornerstone of Kemal Ataturk's foreign policy, and Moscow consistently reminds Ankara of that fact. However,

Turkey remains wary of the Soviet Union in light of centuries of hostility and warfare, a common frontier that is the longest of any NATO (North Atlantic Treaty Organization) member, and Moscow's undiminished ambition to control the Dardanelles and the Bosphorus. Early in 1945, the Soviet Union reasserted its historic expansionist aims against Turkey; coupled with the British retreat from the eastern Mediterranean region, this Soviet action gave birth to the alliance between Ankara and Washington,¹² as outlined by the Truman Doctrine in 1947. United States President Harry Truman's forthright commitment soon turned the tide throughout the Mediterranean and the Middle East. Turkish-American ties were further enhanced when Turkey sent troops to fight in the Korean War in 1950 and joined NATO in 1952. On a psychological level, Ankara's inclusion in the Marshall Plan for European recovery and, subsequently, its recognition as a member of NATO reassured Turkey's leaders that it had at last been accepted by the West.

From the late 1940's, Ankara's and Washington's strategic analysts agreed that Turkey and Greece formed an indispensable barrier to Moscow's moves on the southern flank of NATO.¹³ During the 1960's, this close relationship began to show strain, and in the 1970's these tensions were exacerbated. As it turned out, the biggest shadow over United States-Turkish relations was cast not by developments in the Middle East, but rather by Cyprus.

In July, 1974, Greek military units on Cyprus backed a right-wing extremist coup d'état to overthrow the legitimate Cypriot government of Archbishop Makarios.¹⁴ Ankara's immediate response was to invoke its right of intervention to protect the political rights and the physical security of the Turkish Cypriot community. Thus, two separate de facto regimes were established: the Greek-Cypriot government headed by Spyros

Kyprianou and the Turkish-Cypriot government headed by Rauf Denktash. In 1983, the independent Turkish Republic of Northern Cyprus was declared. Much to the disappointment of Denktash and Ankara, this move did not prompt any international recognition.

Over the years, however, Denktash has emphasized that the proclamation of statehood and independence was meant not to prevent, but to stimulate, a negotiated settlement with the Greek Cypriot community. Negotiations have taken place, on and off, for over a decade, usually under the auspices of the United Nations—most recently in 1984. These discussions have focused on the possibility of a bizonal, bicomunal, federal solution. Within the original 1984 initiative, United Nations Secretary General Javier Pérez de Cuéllar has taken other initiatives that have been met with reluctance by both the Greek and Turkish Cypriots. Most recently, the Greek Cypriots, with the support of the Soviet Union, have called for an international conference on Cyprus.¹⁵ This has been rejected by Turkey as being contrary to the aims of the Secretary General's efforts to reestablish Cyprus as a joint state based on the equal political partnership of the communities. Any deviation from this plan, Ankara argues, encourages Greek intransigence and undermines the Secretary General's efforts.

Although the Cyprus issue may be the most salient national security problem that Turkey has faced since 1963, other factors complicate Ankara's relations with Athens, and indirectly affect its relations with the United States and NATO. Among these issues is Greece's proclamation of an extension of its territorial waters around the islands in the Aegean Sea from six to ten miles and Greece's protest against Turkey's search for oil under these disputed waters.¹⁶ Citing the 1958 Geneva Convention on the Continental Shelf, Greece maintains that the Aegean Islands have their own continental shelves, while Turkey's position is that the islands have special characteristics that require special solutions.¹⁷ There has been a further prolonged dispute as to which country should control the air traffic over the Aegean Sea. And, in 1982, Greece appeared to have violated the provisions of the 1923 Treaty of Lausanne by militarizing certain islands in the Aegean (e.g., Limnos, Chios, Kos, Lesbos and Samos).

In the last six months, there has been a continuing round of "letter diplomacy" between Prime Minister Özal and the Greek Prime Minister, Andreas Papandreu, which may indicate that both sides are reaching an understanding on how to proceed over the issues that divide Turkey and Greece and, further, how to avoid inflammatory actions or statements.

Unlike Greece, which publicly declares that the greatest threat to it is from the East (Turkey), Ankara leaves no doubt that it believes the principal menace to Turkish security remains the Soviet Union and its surrogates.¹⁸ Turkey, in fact, feels little threat from Greece and has been puzzled by Athens's actions since Prime

¹²Ibid., p. 88.

¹³Turkey joined the Baghdad Pact in 1955 and the Central Treaty Organization (CENTO) in 1959. These organizations did not involve Washington directly as a member; however, they sustained the United States security strategy in the Middle East.

¹⁴The Greek government withdrew from NATO for a period of six years, 1974–1980, over the Cyprus issue.

¹⁵A controversial area has been the number of Turkish forces stationed on Cyprus and the kinds of equipment they possess. The number is now estimated to be about 17,500–20,000 men.

¹⁶Turkey has given Athens notice that if Greece extends its territorial waters to 12 miles this will be a *casus belli*.

¹⁷In March, 1987, Greece and Turkey were in a confrontational mode in the Aegean Sea over exploration rights. In the end, Prime Ministers Özal and Papandreu both intervened to halt a possible conflict between the two NATO members.

¹⁸Tensions between Bulgaria and Turkey over the fate of the Turkish minority in Bulgaria have risen sharply since 1985. Bulgaria launched a violent campaign to compel all members of the minority, some one million, to change their Turkish names, rooted in Islam, to Bulgarian names, which are mainly of Orthodox Christian origin.

Minister Papandreou came to power in 1981. It is convinced that Greece seeks to undercut Turkey's position in NATO and to delay the normalization of Turkey's relations with the European Economic Community (EEC).

In April, 1987, Ankara applied formally for EEC membership, although it does not expect full membership until early in the next century. Turkey's reasoning is that by then its large and vital economy will make it a suitable member. But the formidable economic problems involved in admitting a large agricultural country into the mainly industrialized EEC (of which Turkey would be the most populous member) are being lengthily debated. The community is already having problems in absorbing Greece, Portugal and Spain, three relatively less affluent and more agriculturally oriented Mediterranean countries. With a geographical foothold in Europe and as a member of NATO, Turkey has not been absolutely refused membership, but difficulties remain, especially on the political front.

The culmination of these political objections was a resolution of the European Parliament in June, 1987, calling for "a political solution to the Armenian question," which contained several clauses that made it even more provocative to Turkey.¹⁹ In Ankara, the news of the resolution nearly coincided with the killing by the PKK of 31 people from the village of Pinarcik, many of whom were women and children. The resolution was seen as encouraging terrorism. Shortly thereafter, President Evren made a blistering speech, stating that "it would be useful to sit down and review once again Turkey's membership in NATO." However, Prime Minister Ozal's government has not made a major issue of the resolution, restraining its reaction in order to avoid making negotiations with the EEC even more difficult.

Related thorny issues that compound the Turkish application are the difficulties that divide Ankara and Athens over the Aegean and Cyprus. It is conceivable that Greece might use its veto to stop Turkey from entering the EEC if Turkey's entry becomes likely.

As an associate member of the EEC, nearly two million Turkish citizens have emigrated to West Europe in search of employment. The associate membership agreement of 1963 envisioned free circulation by December 1,

¹⁹This resolution was passed by a small minority of the European Parliament; most of its members abstained.

²⁰"What's Jamming the Door to Europe?" *The Middle East*, no. 155 (September, 1987), p. 40.

²¹The Armenian resolution was defeated in the United States Congress in August, 1987, while restrictions on Turkish use of American-supplied arms on Cyprus will be appended, if approved, by resolution to the forthcoming appropriations bill. The latter restriction only applies to Turkey and not to Greece.

²²Discussions between the United States and Turkey are scheduled to begin in late 1987, with Ankara expected to extend the DECA for another year.

²³The \$490 million in security aid may be in jeopardy if Turkey does not pay its arrearages to the Guaranty Reserve Fund and the FMS (foreign military sales) program. In the end, Ankara might receive as little as \$150 million-\$190 million.

1986, but the EEC has refused to honor that part of the agreement. West Germany, notably, is against allowing more Turkish workers to join the many Turks already in West Germany. Instead, its tactics are to provide Turkey with increased security assistance in excess of \$100 million per year.

Altan Alpaz of the Prime Minister Ozal's office commented that although "cancellation of so basic a principle as free circulation of labor" would threaten "the whole legal framework of our Association" with the EEC, "it would be better to reach a wider context of full membership."²⁰ Application for full membership keeps the free circulation issue open without forcing a showdown that Ankara knows it would lose.

The greatest single argument for Turkish membership in the EEC is Turkey's security contribution to West Europe. However, various factors limit Ankara's security contribution. Among these is the belief by West Europeans that Turkey's primary security relationship is with the United States, which is its principal provider of security assistance and the only country that has a significant military presence in Turkey. In addition, most West Europeans focus their security concerns on the "central front" threat and Turkey appears geographically distant and not germane to their defense interests.

United States-Turkish relations have been strained recently over the United States congressional resolution on Armenian genocide, restrictions on Turkish use of American-supplied arms on Cyprus and cuts in United States aid to Turkey.²¹ To Ankara, these actions underscore what Turks see as the vagaries of the United States political system, which make it impossible for an American President to fulfill all his commitments.

Bilateral relations governed by the Defense and Economic Cooperation Agreement (DECA) signed in 1980 and renegotiated and initialed in December, 1986, are rocky. Ankara's acceptance of this agreement for the most part was the result of a United States commitment to obtain higher military assistance levels (and to defeat the Armenian resolution), and Prime Minister Ozal's strong support. The DECA was finally signed in March, 1987, but Ankara withheld ratification and implementation because of the failure of President Ronald Reagan's administration to secure \$125 million in supplemental security assistance for fiscal year (FY) 1987, and because of the pressure of domestic elections on Ozal and his Motherland party.²² It appears that 1988 security assistance will remain at the FY 1987 level of \$490 million.²³

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James Brown just completed a term as special assistant to the deputy under secretary of defense for planning and resources. He has written extensively on national security policy and civil-military relations in both Greece and Turkey, and his articles have appeared in *Armed Forces and Society*, *Brassey's Defense Yearbook*, *Defense Analysis* and *Polity*.

"Whether the current PLO will be able indefinitely to maintain its cohesion, the loyalties of its constituents and its independence from Arab state control depend on numerous factors. . . . Whatever the fate of the PLO, however, the Palestinian issue will remain a critical component in Middle Eastern politics and a central factor in any resolution of the Arab-Israeli conflict."

The Palestinians: The Past as Prologue

BY AARON DAVID MILLER

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As Palestinians confront the year ahead, the future looks bleak.* The unity achieved at the Algiers Palestine National Council (PNC) meeting in April, 1987, masks serious rifts within the Palestinian national movement. Meanwhile, the November, 1987, Arab summit at Amman subordinated both the PLO (Palestine Liberation Organization) issue and the Palestinian issue to the Arab world's preoccupation with the Iran-Iraq War. The PLO's relations with Jordan remain strained and the bitter conflict between PLO chairman Yasir Arafat and Syrian President Hafez Assad is still unresolved. In Lebanon, a combination of differing forces—Israel, Syria and the Shia organization Amal—has dashed Palestinian hopes of bringing back the salad days before the Israeli invasion. Among many Palestinians on the West Bank and Gaza, there are increasing doubts about whether PLO policies can improve their lot, let alone end the Israeli occupation.

Nonetheless, as both its friends and enemies concede, the PLO has been in trouble before. In fact, the history of the Palestinian national movement reads like a mad roller coaster ride through the maze of inter-Arab politics, intra-Palestinian rifts and Israeli-PLO confrontations. That the PLO has survived is a testament to its leaders' and its constituents' commitment to the organization as a symbol of Palestinian national identity. That the PLO appears no closer to achieving its stated goal—the creation of a state for Palestinians—is a testament to the PLO's inability to deal effectively with the internal and external challenges it has faced.

This tension between the PLO's organizational survival, on one hand, and the pursuit and accomplishment of its territorial goals, on the other, is more than just a passing phenomenon. Reconciling these two imperatives lies at the heart of the Palestinian dilemma. So far, the PLO has tried to finesse the two by adopting a long-term view of its struggle against Israel that places the onus of responsibility for concessions on its adversaries. In the

meantime, the organization has offered itself to Palestinians as a kind of surrogate state. How the PLO tries to manage this dilemma in the volatile world of Arab-Israeli politics will play a major role in shaping its future.

THE ORGANIZATIONAL IMPERATIVE

Since the PLO emerged as a relatively independent force in Arab-Israeli politics, its behavior has been influenced to a large degree by its decentralized structure and its dependence on its Arab patrons. These factors dictated a strategy that made self-preservation, not the peace process or even liberating territory, the overriding goal. In practical terms, self-preservation meant the survival of the organization: first, to establish the PLO as the Palestinians' sole representative and second, to secure this recognition from the Arab states, some of whom wanted to play this role themselves.

To deal with the first problem, the PLO adopted a consensual style designed to appease and to accommodate a politically and geographically divided constituency. Forcefully trying to unite competing factions might have alienated important constituencies as well as their Arab patrons. Allowing these factions to drift apart, on the other hand, might have created chaos and a dozen different-PLO's. "Without resorting to force, which was out of the question," Salah Khalaf, one of Fatah's founders, recalled, "we could not induce authentic leaders such as George Habash or Nayif Hawatmeh to join our ranks or to prevent them from forming their own organization."¹

The only other alternative—indeed the one followed by Fatah as the PLO's largest and most powerful constituent group—was to play the politics of the lowest common denominator. This was reflected in the PLO's institutions and decision-making style. Fatah succeeded in keeping the PLO together, but at a considerable cost. A number of smaller groups were given disproportionate leverage in influencing the organization's tactics and strategy.² Coincidentally the most ideological or most heavily indebted to Arab patrons, these groups acted as powerful constraints on Fatah's room to maneuver, often embroiling the organization in bloody conflicts with Arab regimes.

To deal with the problem of dependence on Arab

*The views expressed in this article are the author's alone and do not necessarily reflect those of the Department of State or any other United States government agency.

¹Abu Iyad, *My Home, My Land: A Narrative of the Palestinian Struggle* (New York: Times Books, 1981), p. 222.

²Matti Steinberg, "The PLO and the Mini-Settlement," *The Jerusalem Quarterly*, no. 21 (Fall, 1978), pp. 129-144.

states, the PLO adopted an approach that only reinforced its cautiousness and indecisiveness. Fearful of alienating its most powerful Arab patrons, the Palestinians made a concerted effort to maintain good relations with as many regimes as possible. This strategy was intended to maintain a harmonious balance within the PLO as well as access to the Arab political, financial and military support on which the Palestinian cause depended. It did not always work. But even when the PLO found itself bloodied by any number of regimes or confronted with a transparent Arab effort to interfere in its affairs, Palestinians still maintained an interest in reconciliation. In the end, Palestinians from one end of the political spectrum to the other seem to have grudgingly recognized that the survival of the organization, if not the Palestinian cause itself, will depend on keeping their fences mended in the Arab world.

The importance of keeping the PLO together as an organization not only was imposed by its structure and its vulnerability in inter-Arab politics, but was also a worthwhile objective in itself. Lacking an independent base of operations, opposed by an array of hostile adversaries, and without much prospect of securing its own piece of territory, the PLO emerged as a kind of surrogate state for an alienated and landless constituency. Not only was the organization an important symbol of Palestinian national identity, but in Lebanon it emerged with all the trappings of an entrenched state-like bureaucracy. By 1982, the PLO possessed a conventional military force, a diplomatic corps, an official parliament in the PNC and a quasi-official cabinet in its Executive Committee.³

After the Israeli invasion and the PLO's expulsion from Lebanon, the importance of the organization increased, as Palestinians looked for their bearings in the post-Lebanon environment. Arafat risked a split in Palestinian ranks to preserve his independence and authority from Syria, but he continued to attach great importance to keeping Fatah together and to holding out the prospects of reconciliation with both the Popular Front for the Liberation of Palestine (PFLP) and the Democratic Front for the Liberation of Palestine (DFLP). The eighteenth PNC meeting in Algiers demonstrated that the PLO continued to put considerable stock in unity as a protection against Arab state intervention in Palestinian affairs.

THE PEACE PROCESS, 1984-1987

As long as the PLO continued to function in an environment where it was confronted only by internal Palestinian challenges, Arab state interference and Israeli military power, the pursuit of the organizational imperative seemed a sound strategy. When faced, however, with an effort by Israelis, Arabs or outside parties to find negotiated solutions to the Arab-Israeli conflict, the

choices before the PLO became much more stark and the contradictions between survival and the attainment of a territorial goal became sharper.

Nowhere is this tension better reflected than in the PLO's response to the Arab-Israeli peace process in the years after the Israeli invasion. Trying to find a role in the negotiating process posed a number of conflicts for Palestinians: between rigid and "revolutionary" goals and the need for change and innovation; between association with Arab states like Jordan that saw some urgency in a negotiated settlement and others like Syria whose interests were better served by the status quo; between the risks of being shut out of a settlement and the danger of making concessions that would divide the organization and compromise its independence; and between the needs of Palestinians on the West Bank and Gaza who had a stake in ending the Israeli occupation as quickly as possible and those militants in the Palestinian diaspora who seemed convinced that time was on their side.

In order to appreciate how the PLO, specifically Arafat's Fatah organization, responded to these choices and challenges, it is essential to take a brief look at the PLO in the wake of the Israeli invasion. First, the invasion and the subsequent expulsion of thousands of Palestinian fighters from Lebanon exacerbated a host of logistical and organizational problems of an already decentralized movement. One of the advantages of Lebanon had been the concentration of the Palestinian infrastructure in one place. PLO fighters were now split up among a dozen Arab countries; morale and money were low.

Second, as the "who lost Lebanon?" debate intensified, old splits deepened and new ones appeared. Charges of incompetency and corruption, and Arafat's dialogue with Jordan's King Hussein, sparked a rebellion in Fatah ranks and a deepening rift with Syria. By the end of 1983, Arafat's forces had been driven from Lebanon a second time. As the conflict between Arafat and Assad worsened, the PLO's political leadership found itself in disarray. By 1984, reconciliation efforts had failed to produce any worthwhile results. Three Palestinian groupings had emerged: first, a Tunis-based group comprising Arafat loyalists and the Iraqi wing of the Palestine Liberation Front aligned with Fatah; second, the PFLP and the DFLP based in Damascus that — while opposed to Arafat — tried to maintain their independence from Damascus; and third, a number of Syrian-controlled or Syrian-oriented groups, including the Fatah dissidents.

Finally, the Assad-Arafat confrontation — formalized by Arafat's expulsion from Damascus in 1983 — narrowed Arafat's Arab options and pushed him closer to Jordan and Egypt. These growing ties to Arab moderates, symbolized by Arafat's surprise meeting with Egyptian President Hosni Mubarak in January, 1984, on his way out of Lebanon, opened new possibilities for the PLO's political strategy, but conflicted with its need to pursue the armed struggle against Israel and to hold

³Aaron David Miller, "The PLO and the Peace Process: The Organizational Imperative," *The SAIS Review*, vol. 7, no. 1 (Winter-Spring, 1987), pp. 95-109.

open the option of reconciliation with Syria and the Damascus-based PLO groups. Moreover, Arafat was doubtless worried that his growing dependence on Hussein would allow the Jordanians to press him for concessions on the peace process.

As head of Fatah and still the PLO's preeminent leader, Arafat had to explore the possibilities of a negotiated settlement and to maintain his independence from Syria and Jordan without splitting his own organization and losing the support of much of the Palestinian community. It is largely with this agenda—not with an overriding desire to get into the peace process—that Arafat approached the decision to convene the seventeenth session of the PNC in Jordan and to conclude his February, 1985, agreement with Hussein.

Arafat's sensitivity to organizational constraints, particularly the need to keep Fatah together, is reflected in his approach to the February 11 agreement between Jordan and the PLO. The accord—really more a set of general principles designed to work out a *modus vivendi* between Jordan and the PLO—was touted as a sign of increased PLO flexibility on two counts: first, the PLO's apparent willingness to accept a confederated Palestinian state within Jordan, presumably comprised of the West Bank and Gaza (rather than an independent state) and second, to resolve the issue of representation by working closely with Jordan. One has only to look at what Arafat's opponents were saying about the accord to see their fear of it as a betrayal of historic Palestinian goals.

This agreement [DFLP leader Hawatmeh noted] represents a violation of all the fundamentals of national Palestinian unity and constitutes an about-face by Arafat on the reactionary American-Arab solution which is based on commissioning Jordan.⁴

What is also important about the accord is what it left unresolved and how Arafat managed it in inter-Palestinian politics. On two key issues—who would represent the Palestinians and what they would be negotiating for—the agreement was intentionally vague. Fatah approached the agreement carefully in an effort to use it to elicit additional concessions from both Hussein and the United States, to demonstrate to West Bankers and Gazans that the PLO was ready to enter into the peace process and to consolidate a political base in Amman. At the same time, Arafat left loopholes designed to maintain unity in the ranks and to protect himself from charges of compromising PLO goals. Little more than a week after

concluding the agreement, the PLO's Executive Committee issued a statement endorsing the accord but undercutting its key provisions.⁵

Throughout the next year the sensitivity to keeping the organization intact continued. It was clear that Arafat and several key confidants were willing to explore political cooperation with Jordan. But they were also acutely aware of the parameters set by some within Fatah who were clearly less enamored of the Jordanian option. The fact that a month after the accord was concluded, key Fatah officials were still "interpreting" the agreement suggested that serious opposition persisted.⁶ Later that summer, in a stunningly frank assessment of his own motives, Arafat himself noted that the agreement was really designed to surmount the "three American no's"—to the PLO, to an international conference and to a Palestinian state.⁷

REUNIFICATION: THE PRIMORDIAL URGE

By the fall of 1985, the flurry of peace process activity generated by the PLO-Jordanian agreement was beginning to run its course. The idea of a meeting between American officials and a joint Jordanian-Palestinian delegation had foundered on the knotty question of which Palestinians would attend. At the same time, the PLO's determination to pursue the armed struggle, particularly its murder of three Israelis in Cyprus, diverted attention from diplomacy. In October, Israel retaliated by attacking PLO headquarters in Tunis. The hijacking of an Italian cruise ship and the murder of an American citizen by a small Palestinian group represented on the PLO's Executive Committee further tarnished the PLO's image.

The PLO's refusal to abandon terrorism and its unwillingness to accept United Nations Security Council Resolution 242 also triggered a downturn in relations with Jordan. In February, Hussein delivered a blistering speech from the throne that blamed the PLO for much of the current impasse and formally froze his dialogue with Arafat.⁸ By July, the Jordanians had closed Fatah offices in Amman.

Worsening relations with Jordan, perhaps even the abrogation of the February 11 agreement, seemed to offer a basis for renewed inter-Palestinian dialogue. Moreover, the focus of the peace process seemed to be shifting from a bilateral context to an international conference—a forum with which Arafat's opponents seemed more comfortable and which was more acceptable to their most important non-Arab patron, the Soviet Union. Indeed it was no coincidence that the Soviet Union—a long-time advocate of Palestinian unity—would become a catalyst in the reunification process.

Despite the strong psychological pull of Palestinian unity, few Palestinians had any illusions that Humpty-Dumpty could be put back together again. The rift separating Arafat, the Fatah dissidents and the Syrian-controlled groups appeared unbridgeable. Moreover,

⁴See Hawatmeh statement, *al-Watah* (Kuwait), in Foreign Broadcast Information Service, *Middle East and Africa* (hereafter cited as FBIS-MEA), March 8, 1985, pp. A4-A5.

⁵*Al-Dustur* (Amman), February 20, 1985, in FBIS-MEA, February 20, 1985, p. A1.

⁶Sanaa Voice of Palestine, March 24, 1985, in FBIS-MEA, March 24, 1985, p. A1.

⁷*Al-Musawwar* (Cairo), July 19, 1985, in FBIS-MEA, July 23, 1985, pp. A1-A2.

⁸Amman Television Service, February 19, 1986, in FBIS-MEA, February 20, 1986, pp. F1-F6.

Assad seemed determined to prevent reunification under Arafat's leadership. Nonetheless, by the spring of 1986, Salah Khalaf had apparently initiated contacts with the PFLP and DFLP; at about the same time, Habash and Hawatmeh had called on Arafat to abrogate the February agreement and enter into talks on "national unity."⁹

Both sides were clearly interested in exploring the possibility of reconciliation; for the Damascus-based groups reunification offered an opportunity to scrap the Arafat-Hussein accord, increase their independence from Syria and work from within the PLO to control Arafat's influence; for Arafat, reconciliation was a way to enhance his authority and gain leverage against Damascus. Nonetheless, no one appeared willing to pay the price. Despite numerous meetings in the fall of 1986, including a series of formal talks, the reconciliation process sputtered on without much success.

What appeared to give the faltering reconciliation efforts an important boost was paradoxically the same factor that had impeded progress—Syria. Assad's determination to undermine Arafat and prevent Fatah's return to Lebanon led the Syrians to support the Shia militia Amal's campaign to stop Palestinian infiltration. By the fall of 1986, the Shia-Palestinian camps war had already gone through one bloody round; by November, Shia forces had laid siege to key Palestinian refugee camps in the Beirut area with all the horrors traditionally associated with conflict in Lebanon.

The camp wars had several important implications for the reconciliation process. First, the Syrian-backed Shia siege imposed a measure of unity on Palestinian fighters across the political spectrum who joined efforts to protect the camps; second, key Palestinian leaders like the PFLP's Habash, already uncomfortable with his dependence on Damascus, used the Syrian role in the camps war to assert his independence. It was no coincidence that after some of the worst Shia-Palestinian fighting, in November Habash met with Fatah officials—apparently their first meeting in two years.¹⁰ Finally, the camp wars seemed to provide the pretext that Palestinians needed to set the stage for a more formal reconciliation.

By the spring of 1987, the stage was set for the eighteenth PNC held in Algiers. The Soviet Union probably played a role in moving the reconciliation process along, as did the PLO's Algerian hosts. But in the end it was the Palestinians themselves who concluded that the advantages of tactical unity outweighed the disadvantages. Arafat scored some points with the Soviet Union, won a round with Assad and refurbished his image as the PLO's leader without agreeing to structural reforms that would have compromised his authority. His opponents secured the formal cancellation of the February 11 ac-

cord and representation on the PLO's Executive Committee as a way to curtail Arafat's influence from within.

The convening of the PNC cost each side as well. Attending the session strained PFLP and DFLP relations with Syria and legitimized Arafat's authority. On the other hand, Arafat strained his ties with Egypt and Morocco after the PNC criticized Cairo and agreed to hear a speech by a Polisario representative. Moreover, Fatah now had to give greater weight to PFLP and DFLP views in various PLO councils. In the end, although the PNC session probably only papered over deep divisions within the PLO, it again revealed how attached Palestinians were to maintaining the image of unity and independence.

LEBANON, THE WEST BANK, AND GAZA

Over the past several years the PLO was also forced to confront new challenges in two areas where it had vital interests. In Lebanon, where it had been severely weakened by the Israeli invasion and where it felt a responsibility to the Palestinian community, Arafat sought to rebuild his base. On the West Bank, Arafat and his opponents within the PLO had a common interest in maintaining their influence with the local population and in blocking Jordanian and Israeli efforts to weaken it. Maintaining its interests in both areas was deemed vital to preserving the relevance and effectiveness of the organization.

For Arafat and his opponents alike, returning to Lebanon and recreating an independent base there emerged as a central objective in PLO strategy between 1984 and 1987. With a large and sympathetic Palestinian population, a common border with Israel and a weak central government, Lebanon held enormous advantages for the PLO between 1970 and 1982. There were equally important reasons for trying to rebuild there in the years after the Israeli invasion.

First, reestablishing a presence would have demonstrated that the PLO was still a relevant factor in Arab-Israeli politics, not a marginal force located far from the confrontation line in Tunis or North Yemen. This was particularly important for Arafat, who was trying to counter the efforts of his Syrian and PLO rivals to paint him as ineffective. Second, the PLO needed a border with Israel to continue the armed struggle so vital to enhancing Arafat's legitimacy in his conflicts with his opponents. Third, the PLO felt a special responsibility to Palestinians in the refugee camps who were increasingly under pressure from Shia forces in the Beirut area.

The fact that the PLO's efforts to infiltrate into

(Continued on page 83)

⁹Paris Radio Monte Carlo, February 25, 1986, in FBIS-MEA, February 26, 1986, p. A1.

¹⁰Paris, Radio Monte Carlo, November 22, 1986, in FBIS-MEA, November 25, 1986, p. A1.

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"Hatreds and the narrow definitions of interest are large roadblocks that impede a redistribution of offices and power that could open a way to curing Lebanon's ills. And while Syria has at times and in certain circumstances worked its will in Lebanon, current conditions seem beyond its capacity to change."

Syria and Lebanon

By JOHN F. DEVLIN

Author, Syria: Modern State in an Ancient Land

As the year 1987 drew toward its close, the regime of Syrian President Hafez Assad could look ahead with satisfaction to the Baath party's twenty-fifth anniversary in power, dating from a military coup on March 8, 1963. Much has been accomplished in that quarter of a century. The Syrian Arab Republic's identity as an Arab state is accepted by its citizens and acknowledged by its neighbors. The secular single-party governing structure is accepted by most of the population.

Today, there is only an occasional echo of the domestic turmoil that racked the country in the late 1970's and early 1980's, spawned by the efforts of radical Muslims to create a revolution through the institution of an Islamic system of government. A series of five year economic development plans have effected vast changes in how Syrians live and work. New industries, an expanded transportation network, a progressive electrification program and the transformation of land-holding patterns are prominent areas of change. On the negative side, the approaching anniversary also finds Syria facing problems in its economy, in its relations with other Arab states over the Iran-Iraq conflict and in Lebanon, where it has been mired down for a dozen years.

Poor economic performance over the past several years has forced the Syrian government to recognize that its resources are not sufficient to build a large military force and simultaneously promote economic development in all areas. After the 1982 Israeli invasion of Lebanon, Syria began to strive for "strategic parity" with Israel. The Syrians believe that the attainment of this goal will enable Syria to negotiate with Israel from a position of strength, or will make the costs of another major round of fighting so high that Israel will be deterred from using its own military power.¹

For Syria, strategic parity became of particular importance after Egypt signed a peace treaty with Israel, thus removing itself from the ranks of states "confronting" Israel. Iraq's total involvement in the war with Iran has

¹Hafez Assad, "Message to the Armed Forces," Radio Damascus, August 1, 1985, in Foreign Broadcast Information Service, *Daily Report, Middle East and Africa* (hereafter cited as FBIS), August 2, 1985.

²International Institute of Strategic Studies, *The Military Balance 1986-1987* (London, 1986), pp. 108-109.

meant that its forces, the second largest in the Arab world, are also unavailable in the event of a new round of major Arab-Israeli fighting. As Damascus sees it, Syria stands alone and must take the necessary precautions.

Building a strong military force is expensive. Syria's army has nearly doubled in size since 1982 and now numbers over 400,000 men. The Syrian army is comprised of 8 army divisions, 9 independent brigades, 24 squadrons of combat aircraft, an air defense command and a variety of special units.² Defense expenditures have accounted for more than 50 percent of the operating budget annually and about 30 percent of the combined operating and investment budgets. This has been a formidable burden for a country trying to improve agricultural production through irrigation, to cope with unexpectedly rapid increases in electricity demand and to promote industry.

Syria has relied heavily on external suppliers for resources that it lacks. At the Baghdad Summit of 1978, the major Arab oil-producing states agreed to give Syria \$1.8 billion annually, in recognition of its role as a front-line state. At best, Syria received something approaching this sum in 1979—perhaps \$1.5 billion—but this did not last. Libya paid little in any year. Iraq stopped paying in 1981 because of the burdens of war, and because of Syria's sympathy and support for Iran. Saudi Arabia and Kuwait sometimes held up payments to show their disapproval of Syria's ties with Iran or its dealing with the PLO. By 1985, contributions from Saudi Arabia and Kuwait were down to some \$500 million.

The negative consequences for Syria of relying on uncertain sources for critically important financing hit home in 1986, when the sharp drop in oil prices severely reduced the ability of contributors to make payments. Iran's seizure of Iraqi territory at Fao in February, 1986, also lessened Syria's ability to obtain financing. Syria, which maintained good relations with Iran, had assured its Arab supporters that the Iranians had no designs on Iraqi territory. The Iranian action showed Saudi Arabia and Kuwait that Syria was not a reliable interpreter of Iranian intentions with regard to Iraq.

Syria responded to the situation in two ways. It severely restricted imports and slashed the trade deficit for the first six months of 1986 to about one-fifth of what it had

been for the comparable period the previous year.³ The government then turned its attention to the budget. Budget allocations overall had risen in nominal terms through 1986, although they did not keep up with inflation. In 1987, however, overall budget allocations were cut by 5 percent, with the largest cut falling on the investment budget. Defense, although still accounting for more than half the operating budget, was cut by 3 percent. (Appropriations for elementary education in contrast were increased by 4.5 percent.)⁴

The regime has also been forced to recognize that industrialization has not been successful in fostering economic development. Factories relied on imported components; necessary foreign exchange was not available; and other sectors—electricity and water—had pressing claims against foreign exchange reserves. Foreign exchange shortages became so acute that the government allowed importers to use hard currency acquired abroad without inquiring into the source.

Early in 1987, the government allowed Syrians living in Arab states of the gulf to purchase exemption from military service with hard currency. Purchase of exemption, a widely disliked practice, had been abolished years earlier.

Investment priorities changed little in 1987, but showed a tendency to rely more on domestic resources. Foreign currency earmarked for investment was down by 25 percent over 1986; most of it was to be used for badly needed electricity projects and for oil development. The generating plants at the dam on the Euphrates River are operating far below capacity because of low water at times and because of equipment breakdowns; power cuts are a daily occurrence. Oil production is a bright spot; a new field in the northeast, in production since December, 1986, has halved Syria's requirements for imported oil, and the expansion program currently under way may eliminate oil imports entirely in 1989. European and American firms are developing the new fields and associated facilities in conjunction with Syria's state oil company.

In 1987, Assad sent the public a clear message that the government is serious about tackling Syria's economic problems. Four ministers with responsibility in the field of economics were publicly criticized for "negligence and shortcomings." Three received votes of no confidence from the People's Assembly; all four resigned.⁴ Eleven others were dropped from the Cabinet when it was reshuffled under a new Prime Minister, Mahmoud Zubi, on November 1, 1987. Questioning of Cabinet officials is provided for in the Syrian constitution, but it very rarely takes place. That the regime arranged public disgrace for four Cabinet members emphasizes the seriousness with

which President Assad has come to regard Syria's economic difficulties. During two decades in office, he has been reluctant to fire subordinates. When he has done so, he has usually been careful to provide them with other posts, but he did not do so in this case.

There is no evidence that strong popular pressure led Assad to carry out this major shakeup. Several years of poor economic performance—growth was stagnant or negative from 1983 to 1986—appeared to have convinced him that major moves were needed.

However, they do not represent a change in Syria's governing system. The new Prime Minister is a longtime Baath party militant; an agronomist by training, he dealt with peasant affairs in the early 1970's, and has been a member of the regional command of the party since 1975. Zubi is a Sunni Muslim, like all of Syria's postwar Prime Ministers, and had been speaker of the Assembly since 1981. The three Deputy Prime Ministers for defense, economic affairs and services remained, and so did the minister for economics and foreign trade.

It is difficult to judge how successful Assad's reorganization will be in stimulating economic growth and controlling the balance of payments deficit. Assad is a skilled politician and a master manipulator, but he is not strong in economic matters. Neither are the members of his inner circle of advisers, men like Vice President Abdul Halim Khaddam, Chief of Staff Hikmat Shihabi and the six senior military commanders. Whether Assad will be receptive to advice from Deputy Prime Minister for Economic Affairs Salim Yasin and from Economics and Foreign Trade Minister Muhammad Imadi remains an open question. Both officials have had long experience in economic matters in and out of government—Imadi holds a doctorate from New York University—and are thought to favor a greater role for private enterprise. But the difficulties imposed by the huge defense burden, bureaucratic inefficiency and limited resources are formidable. Corruption adds to the problems.

THE REGION

The Cabinet shakeup came as Assad was preparing to attend the November, 1987, summit meeting of Arab heads of state in Amman, Jordan. Persuading all the heads of state to agree to convene and to settle on an agenda took months of negotiations, involving a complex series of visits by facilitators to one capital after another. Jordan's King Hussein was especially prominent in these endeavors. Jordan was one of a handful of Arab states that had formal diplomatic ties with Egypt before the summit. He has been on very good terms with Iraq's leaders and has openly supported them from the inception of their war with Iran. And since 1985, when he became reconciled with Assad after admitting that Syrian Islamic militants had been allowed to use Jordanian soil during their insurrection of 1976–1982, he has been a frequent visitor to Damascus.

Because of antipathy between Damascus and Bagh-

³*Middle East Economic Digest*, October 3, 1987, p. 28. These are the latest available figures.

⁴Syrian Arab News Agency (SANA), June 25, 1987, in FBIS, June 26, 1987; Radio Damascus, October 28, 1987, in FBIS, October 28, 1987.

dad, Syria has consistently proved to be one of the most difficult obstacles to the consensus that Arab leaders strive for in advance of an actual summit meeting. Both Syria and Iraq claim to be the legitimate descendant of the original Baath party;⁵ there is also personal animosity between Assad and Iraqi President Saddam Hussein stemming from the failure to unite the two countries in 1979. Saddam's aspirations for Arab world leadership are at cross-purposes with Assad's striving for dominance in the Levant.

Syria supported Iran against Iraq partly for these reasons, and partly because Syria hoped that Iran would exercise its influence on Shia Muslim factions in Lebanon for Syria's benefit. The value of the Iranian connection has lessened in recent years as Teheran has chosen to support radical Islamic movements opposed to Lebanese factions supported by Syria and as increased Syrian oil production has halved the need for oil that Iran has been providing under a 1982 agreement.

Jordan's King Hussein has made strenuous efforts in past years to effect a reconciliation between Saddam and Assad, with the encouragement of Saudi Arabia and of the Soviet Union. Acting as a member of a reconciliation committee set up at the 1985 Arab summit—which neither Assad nor Saddam attended—the King almost persuaded the respective foreign ministers to meet in mid-1986. Iraq insisted that Syria should first “end its political and military support for Iran.”⁶ Syria refused, and the two resumed their media attacks.

Hussein persisted, and in April, 1987, he brought the two Presidents together at a private meeting in Jordan. The meeting did not result in improved relations. The Iraqi President described the two as “miles apart on all pan-Arab and national issues.”⁷

From the Syrian point of view, developments over the past year or two in the conflict between Iraq and Iran have adversely affected Syria in its effort to achieve strategic parity with Israel. The focus of Arab interests is shifting toward the gulf and away from the Arab-Israeli issue. Iran-instigated violence at the 1987 pilgrimage at Mecca and attacks on Kuwait intensified the shift. This put Assad in a difficult position in regard to the summit meeting. If the gathering were concerned solely with the Iraq-Iran issue and the Persian Gulf, Assad would face intense pressure to stop supporting Iran. This would probably bring Syria a larger and (at least for a time) more reliable flow of oil money. However, it would only marginally lessen Iraqi animosity and would tend to shift

⁵Founded as a pan-Arab organization in 1947, the Baath split after a military coup in Syria drove the founders into exile. Some later moved to Iraq, and the Iraqi Baathists derive their claim to legitimacy from this connection.

⁶*Al-Majallah* (London), June 18, 1986, p. 20.

⁷Interview with Saddam Hussein in *al-Dustur* (Amman), October 12, 1987.

⁸Syrian official spokesman, quoted in *The New York Times*, October 13, 1987.

⁹Excerpts from the communiqué, in *The New York Times*, November 12, 1987.

the focus of Arab attention from the Arab-Israeli issue.

For these reasons, Assad insisted that the November summit not be confined to the Iraq-Iran War and the gulf. King Hussein's diplomacy broadened the agenda, and Assad agreed to attend, because the summit would deal with “all matters of interest to the Arab nation.”⁸ At the conclusion of the meeting, Syria joined in:

- condemning “Iran's occupation of part of Iraqi territory and its procrastination in accepting Security Council Resolution 598”;
- affirming “solidarity and support to Iraq”;
- affirming “solidarity with Kuwait in confronting the Iranian regime's aggression.”

The final declaration of the meeting also supported positions important to Syria:

- “The conference . . . recommended [sic] that the Palestine issue was the core and essence of the [Arab-Israeli] conflict, and that peace in the Middle East will not be achieved except through the recovery of all the occupied Arab territories”;

- “The leaders . . . stressed the importance they attach to Lebanon's national unity, its Arab character and territorial unity.”⁹

The summit also opened the way for Arab states to restore diplomatic relations with Egypt. Most have done so. The holdouts are likely to be the members of the Steadfastness and Confrontation Front formed after Camp David—Algeria, Libya, South Yemen and Syria—which opposes bilateral dealings with Israel. Egypt's return to the Arab fold is not pleasing to Assad, because the Egyptian-Israeli treaty has made the recovery of Syrian territory occupied by Israel difficult.

Although no evidence has come to light as of this writing, it may be assumed that the oil states, especially Saudi Arabia and Kuwait, have agreed to continue and perhaps to increase their financial aid to Syria. They may well continue such aid beyond the 10 years stipulated when it was originally agreed to in Baghdad in 1978. The two could also provide the 60,000 bpd (barrels per day) of oil that Iran agreed to provide Syria on concessionary terms earlier in 1987.

Whether the rapprochement between Syria and Iraq that Jordanian officials have discussed is more than a formality remains to be seen. Equally problematic is the extent to which Syrian-Iranian relations will change. The possibilities range from verbal Iranian complaints about Syria's adhering to the summit communiqué to a serious difference that would lead Iran to try to undermine Syria's efforts in Lebanon.

Although the chief “matter of interest” to Syria is its confrontation with Israel, together with the related issues of the Palestinians and Lebanon, Syria has another growing regional problem. It involves non-Arab Turkey, as well as Iraq, and is at least as much an economic and technical difficulty as a political one. Iraqis and their forebears have used the waters of the Euphrates for irrigation for thousands of years, as have the residents of

Syria and southeast Anatolia. Until the era of big dam-building began 20 years ago, there was enough water for everyone in this river, which rises in the Turkish mountains and flows through Syria to Iraq, where it joins the Tigris before emptying into the gulf.

With each of the three riparian states developing projects requiring water, it has been apparent for years that they must agree to share it. Unfortunately, unfriendly Syrian-Iraqi relations have not provided a climate conducive to dealing with water issues. Syrian-Turkish relations are reasonably good, but Damascus still resents the incorporation of the Alexandretta district into Turkey in 1939; Syrian maps show it as part of Syria.¹⁰ Turkey has also charged Syria with allowing Kurdish guerrillas to raid Turkey from Syrian soil.

The water issue is coming to a head with the scheduled completion in 1992 of Turdy's Ataturk Dam, the biggest element in the Southeast Anatolia Project (SEAP). Under SEAP, power and irrigation plans envisaged using about half the 30 billion cubic meters of water that flowed in the untamed river. This has negative implications for Syria's plans to irrigate 640,000 hectares of land and to generate power from its Euphrates Dam. It will be many years before Syria can use more than a fraction of the water; so far, cost and technical difficulties have limited the area irrigated to about 10 percent of the planned area. Nonetheless, power generation was adversely affected when smaller dams in the SEAP began to impound water. During a visit to Syria in mid-July, 1987, Turkish Prime Minister Turgut Ozal pledged that, until agreement among the three riparians was reached, Turkey would deliver no less than an average of 500 cubic meters (m³) a second (13.14 billion m³ annually) to Syria.¹¹

Ozal's pledge provides a framework so that Syria and Turkey can deal with problems that will arise from variations in annual rainfall and from massive impoundments of water. With Turkey and Syria planning to use large amounts of water, Iraq will not only find itself short of irrigation water, but the water will be more saline as a result of upstream use for irrigation. Iraq needs fresh water to flush salt-contaminated land. Control of water is both an irritant to Iraq in relations with Syria and a card in Syria's hand in relations with Baghdad.

LEBANON

Syria has been the major external force in Lebanon most of the time since its military forces moved into that

country in 1976. But the issues that have torn Lebanon apart in a bloody civil war are Lebanese issues deriving from the country's peculiar past. Created by France (which held the League of Nations mandate for Lebanon and Syria) by adding the largely Muslim districts of the south and the Bekaa Valley to Christian Mount Lebanon,¹² for four decades the country appeared to be a model of multisectarian tolerance. With a small majority, Christians dominated the political structure under a 1943 agreement among the major communities.

Subsequent demographic changes made Muslims the majority; Shia Muslims are the largest sect, while the Maronite Christians are the second largest. The former want power and access to state resources commensurate with their numbers; the latter—historically fearful of living in a Muslim-dominated society—are determined to retain primacy. Smaller sects want to retain or enlarge their status. For a dozen years, civil war has caused enormous destruction, created hundreds of thousands of refugees and left uncounted dead and injured.

Last year, Itamar Rabinovich wrote in these pages:

... the Lebanese crisis seems no nearer to resolution. Lebanon is still divided into several virtual autonomies, each beset by violence. Its political system is paralyzed and suspended, and its political institutions and state bureaucracy are functioning on a part-time basis. Lebanon's principal communities have not been able to agree on a new national political consensus that would make possible the normalization of public life and the revival of normal political life.¹³

These words accurately reflect conditions in Lebanon at the end of 1987. Violence in the form of bomb explosions, assassinations and gunfire is still an everyday occurrence.

Lebanon's two neighbors remain powerful influences. Syria has had some 25,000 troops in the country for years; it controls the east and north. Israel dominates a strip along its border through the Army of South Lebanon, which it formed, trains and pays, supporting it with between 500 and 1,000 troops and security officers. Syria has repeatedly said that it stands for the independence and territorial integrity of Lebanon, but it wants Lebanon to be administered by a government solicitous of Syrian interests. Israel once had a similar aim, which its invasion was intended to further. Israel failed to achieve its political goals in Lebanon, and in recent years the Israelis have concentrated on a security zone to prevent attacks on its northern settlements. The armed forces of Israel and Syria are deployed so that they normally do not come in contact.

In President Assad's words, "there must be national reconciliation among the Lebanese." By means of a
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¹⁰Syrian Arab Republic, *Statistical Abstract 1986*.

¹¹Radio Anatolia, July 17, 1987, in FBIS, July 17, 1987.

¹²Following serious Christian-Druse disturbances in the mid-nineteenth century, the European powers prevailed on the Ottoman government to set up an autonomous *Sanjak* (district) of Mount Lebanon, administered separately from the regular *wilayets* (provinces) of Syria and Beirut. This was the core around which the French constructed *Le Grand Liban* (Greater Lebanon).

¹³*Current History*, February, 1987, p. 63.

BOOK REVIEWS

ON THE MIDDLE EAST

TURKEY: AMERICA'S FORGOTTEN ALLY. By Dankwart A. Rustow. (New York: The Council on Foreign Relations, Inc., 1987. 155 pages, appendixes and index, \$14.95.)

"Considering the crucial role Turkey plays in our global strategy," says Dankwart Rustow, "even educated Americans tend to know less about Turkey than they do about any country of comparable importance." *Turkey: America's Forgotten Ally* serves both as a primer on the economic and political importance of Turkey in the 1980's and as an analysis of the prospects for closer United States-Turkish relations.

The 1980's have proved to be a crucial time in Turkish history, marked by transformations in key areas of society. Turkey is now in a state of change from authoritarian government to democracy, and from an agricultural economy to a Westernized industrial society. Complicating these changes is the conflict between Turkey's Islamic past and the heritage of secularism left by Kemal Ataturk, the founder of the modern Turkish republic.

This pattern of conflict in Turkish society also appears in its foreign policy goals. Turkey is a key member of NATO (the North Atlantic Treaty Organization), providing the West European nations and especially the United States with protection against the expansion of communism and of the Islamic revolution in the Middle East. Yet Turkey is currently waiting for acceptance into the European Economic Community (EEC); it needs full EEC membership to fuel its internal drives toward industrialization and democracy. However, the EEC is reluctant to admit Turkey, since Turkey is a largely agrarian society at the present, would the EEC's largest member (in population) and would provide an emigrating work force that would compete with West Europeans for jobs.

The Turkish role in NATO and the EEC, the resolution of the Cyprus issue, and continuation of United States foreign are the key components, says Rustow, of an improved United States-Turkish relationship. Rustow argues convincingly that the increased liberalization of Turkish society is leading to a convergence of societal and political values between the United States and Turkey, and that United States foreign policy needs to recognize Turkey as a "bridge" between the Middle East and West Europe. *Turkey: America's Forgotten Ally* is a highly recommended study of modern Turkey and its vital role in United States foreign policy.

R. Scott Bomboy

ZION AND STATE: NATION, CLASS AND THE SHAPING OF MODERN ISRAEL. By Mitchell Cohen. (New York: Basil Blackwell, Inc., 1987. 314 pages, notes, bibliography and index, \$24.95.)

Zion and State is a comprehensive and detailed account of the struggle between the left-wing and right-wing factions of the Zionist movement in Israel. Cohen concentrates on the pre-state years of the 1920's and the 1930's, when David Ben-Gurion led the Labour movement to a political victory over Vladimir Jabotinsky and the right-wing revisionists.

One of Cohen's major arguments is that Labour's policies were necessary for political victory in that formative era, but that in the long run they became self-defeating and led to Labour's downfall in the 1970's. *Zion and State* is an excellent analysis of how the ideological differences between Ben-Gurion and Jabotinsky evolved and are reflected in Israel's modern political culture. Indeed, the book's publisher claims that *Zion and State* is "the most extensive analysis in the English language of the internal dynamics of the clash between the Zionist left and the Zionist right." R.S.B.

AMAL AND THE SHIA: STRUGGLE FOR THE SOUL OF LEBANON. By Augustus Richard Norton. (Austin, Tex.: University of Texas Press, 1987. 238 pages, notes, appendixes, bibliography and index. \$25.00, cloth; \$10.95, paper.)

From June, 1980, to July, 1981, Augustus Richard Norton was a nonmilitary observer in the United Nations (UN) Truce Supervision Organization in Lebanon, serving as a liaison between the UN Interim Force (UNIFIL) and the Lebanese people. While in Lebanon, Norton established a working relationship with the leadership of the Amal movement and the Shia Muslims in southern Lebanon. In *Amal and the Shia*, the thirteenth volume of the Modern Middle East Series sponsored by the Center for Middle Eastern Studies at the University of Texas-at Austin, Norton combines his personal experiences with in-depth research to provide a concise analysis of the problems of modern Lebanon's Shia community.

Norton recounts, objectively, the development and the political mobilization of the Amal movement; in addition, he offers some insight into the political destiny of the Shia in Lebanon. Readers interested specifically in the Amal movement and in the Shia community will be pleased with the two appendixes, which contain excellent translations of the charter of the Amal movement and an open letter to the world from Amal's radical rival in the Shia community, the Hizb Allah (or Hezbollah) party.

R.S.B. ■

TURKEY

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This sharp decline in security assistance from a high of \$715 million in FY 1984 to \$490 million for FY 1987, and possibly lower in FY 1988, has had a negative effect on Turkish programs for defense modernization. At the projected levels, the amount falls short of sustaining such important programs as the F-16 fighter and the tank and artillery modernization that, in turn, would affect the Turkish ability to wage an effective war against the more modern Warsaw Pact forces. There is no doubt that the Turkish military are disturbed by these events. Ozal's government is apparently not prepared to suspend United States activities in Turkey as it did during the 1974 Cyprus conflict.²⁴ Yet the controversies that affect United States-Turkish relations reinforce Ankara's belief that the United States commitment cannot be taken at face value, given the persistent divisions in Washington. While this does not mean that Turkey will turn its back on NATO or on the United States, it suggests that the image of the United States as a friend of Turkey's is a bit tarnished. This is bound to make itself felt in Turkish perceptions of future security needs.

THE MIDDLE EAST

Some ten years ago, Turkey undertook a concerted effort to expand its ties with the Middle East, viewing its Islamic neighbors as prime market areas for its goods and services. Prime Minister Ozal placed special emphasis on this in many trips throughout the region. Turkey's total trade with its neighbors in 1986 was about 8 percent of its total trade, a bit less than the previous two years. On an individual basis, Turkey has maintained close diplomatic relations and lucrative trade with both Iran and Iraq throughout their years of bitter warfare. Turkey's trade with Iran for 1986 was about 5 percent while its trade with Iraq totaled 7 percent.²⁵ In both cases, this is somewhat less than it had been in the previous two years. This downward trend is reflective of the effect of the price of oil on the world market.

Politically, Turkey's position has been to remain strictly neutral in the Iran-Iraq conflict. Ankara continues to counsel a quick end to the conflict and offers its services as a mediator, despite the financial benefits it derives from the conflict. There is no doubt that Turkey would face a dilemma if either party gained an overwhelming

²⁴A fallout, as a result of United States congressional actions, was the postponement of President Evren's visit to the United States in August, 1987. This was one way for Turkey to show its displeasure.

²⁵Both Iran and Iraq have been unable to pay for their purchases from Turkey; this has created some strain in their relations with Ankara. Turkey would like to resolve these differences without inhibiting future Turkish exports.

²⁶For a detailed discussion see "Turkey's Middle East Gamble," in *The Middle East*, no. 125 (March, 1984), pp. 27-31.

²⁷Turkey agreed in March, 1986, to accept a Syrian ambassador for the first time since 1983.

victory and if Turkish security were threatened. If Iran won and an Islamic republic were imposed in Iraq, this could lead to the spread of religious fundamentalism and might further undermine Persian Gulf security. On the other hand, if Iran were the loser, a power vacuum would exist in Teheran, which the Soviet Union could exploit, possibly exposing the Persian Gulf region to Moscow's hegemony.

In addition to the oil trade, Turkish contractors are also active in the Middle East. For example, in 1986, there were some 124 contractors with projects in Saudi Arabia, while in Libya they numbered about 112.²⁶ Of the 311 total projects of Turkish contracting firms abroad, some 96 percent are located in the Middle East, a reflection of the general Turkish advantage in the area. Despite the continued Persian Gulf conflict and the problems faced by several countries in meeting their contractual payments, Turkish contractors are still able to find work in the region, but must be willing to tolerate a larger degree of uncertainty.

Ankara's relations with Syria, Moscow's closest ally in the Middle East, continue to be cautious and somewhat distant. Unlike its relations with Iran, Iraq and Libya (in which the desire to increase trade is a primary ingredient), Turkey's relations with Syria have only a minor economic component.

Syria and Syrian-occupied Lebanon have long provided major training centers for Turkish, Kurdish and Armenian terrorist groups. More recently, Damascus has also complained about the giant Ataturk Dam project, which it fears will curtail Euphrates waters Syria now uses further downstream for irrigating its own northeastern plain.

In an attempt to lessen the tension between the two nations, Prime Minister Ozal visited Damascus in July, 1987.²⁷ This visit resulted in several agreements enhancing border security and economic cooperation. In the area of border security, both nations agreed to establish a common security zone to prevent armed bands from crossing, and Syria also agreed that it would no longer provide a safe haven for the PKK.

In the area of economic cooperation, Turkey allayed Syria's concern about how the waters of the Euphrates were to be used and both governments agreed to a joint project to construct a hydroelectric dam along their mutual border on the Sihan and Jihan rivers. This will be a jointly financed and planned project, and the dam is to be called the "Dam of Peace" (Saad Al-Salam) to symbolize cooperation between the two countries. Furthermore, Turkey agreed to provide Syria with credits for the sale of Turkish grain and foodstuffs.

On a much broader scale, in July, 1986, Prime Minister Ozal proposed the building of a Turkish water pipeline known as the "Peace Pipeline" through Syria and Jordan, to Saudi Arabia. Interest on the part of these three governments has been keen, but without Saudi Arabia's support and financial backing the plan stands

little chance of success. There is no doubt that if this project is built, it will enhance Turkey's significance in the region.

Turkey entered the decade of the 1980's with a balanced set of domestic, regional and international policy objectives. Its experiences, however, taught Ankara not to trust the United States or the Soviet Union; its neighbor to the north is viewed with suspicion and uncertainty, while its relationship with Washington has left much bitterness, mistrust and apprehension. Ideologically, Ankara continues to face West. But if political criticisms continue in Western forums and if unreasonable demands are made on Turkey that impinge on its sovereignty, it is very likely that the result will be damaged relations with the West, which could ultimately undermine the crucial role Turkey plays as a barrier to Soviet expansionism in the Middle East. ■

SOVIET POLICY IN THE MIDDLE EAST

(Continued from page 60)

Moscow can somehow restrain Teheran.

The Iranian leaders want improved relations with the U.S.S.R. now, in order to convince Moscow that it should give less support to Iraq and oppose American efforts to cut off arms to Iran. But if Iran succeeds in further weakening or actually defeating the Baath regime in Iraq, Teheran may not see a need to placate the Soviet "great Satan." Thus, by attempting to increase its influence in both Iran and Iraq through supporting both nations, the U.S.S.R. could wind up losing its influence in both Iran and Iraq.

Although Gorbachev's policies have led to greater Soviet influence in the Persian Gulf and the Middle East, Gorbachev is not yet in a position to transform this greater influence into predominance in the region. Moscow has maintained good relations with Iraq as well as improved relations with the conservative Arab gulf states and Iran, but it is difficult for Moscow to strengthen its relations with one nation without weakening its relations with another.

Similarly, Moscow has managed to retain its strong relations with Syria, to improve ties with Israel and the moderate Arabs and to strengthen its position with the PLO. It is doubtful, however, that the U.S.S.R. will risk losing its influence with Syria and the PLO by pressuring them to be more responsive to Israeli security concerns; friendship with Israel is not worth this price to Moscow. Yet unless Moscow does make an effort to promote Israeli concerns, it can hardly be expected that Israel will become more receptive to the Soviet Union's Middle East peace proposals. And although Moscow hopes to weaken Egyptian and Jordanian relations with the United States, Cairo and Amman are not likely to trade the United States for the U.S.S.R. as their superpower backer, as long as Moscow continues to support their more radical Arab rivals. ■

THE PALESTINIANS

(Continued from page 76)

Lebanon were partially responsible for triggering the siege of the camps was not important once the battle was joined. The PLO had initially been welcomed by Palestinians in Lebanon as a protective force. The organization's ability to protect its constituents remained an important test of its legitimacy and appeal.

The obstacles against the PLO's reestablishing an independent presence were formidable. The Syrians, while sponsoring those PLO groups opposed to Arafat, were determined to prevent his return. The Shia—at least the elements of Amal that Nabih Berri controlled—were also determined to prevent the PLO from breaking out of the refugee camps or operating independently in Shia-dominated areas of southern Lebanon. And the Israelis, whose 1982 invasion weakened the PLO presence in southern Lebanon, were bent on preventing cross-border artillery attacks and incursions. Moreover, despite their support for the Palestinian cause, most members of the Lebanese political establishment were not eager to see the PLO's return and another major Israeli-Palestinian confrontation at their expense.

Nonetheless, capitalizing on the support that Arafat enjoyed in the refugee camps, Fatah fighters began to return. By March, 1986, the Israeli press, quoting military sources, claimed that there were 8,000 PLO fighters in Lebanon, at least 1,000 of whom were Arafat loyalists who had taken up positions in the Sidon area.¹¹ By year's end, according to Israeli press accounts, Arafat's Fatah group, possessing the most money and organizational savvy, was becoming entrenched in southern Lebanon.¹² Indeed, there were even reports in the Arab and Israeli press that the PLO's return was being aided by both the Maronites and the radical Shia tied to Hezbollah—both of which were determined to counter Syria.¹³

Perhaps nowhere was the split between the PLO's territorial goals and its desire to preserve the organization more clearly reflected than in its relationship with the Palestinians of the West Bank and Gaza. Here, the realities of the Israeli occupation and the local Palestinians' desire to end it conflicted with the dreams and far-reaching goals of Palestinians in the diaspora who seemed prepared to wait out their Israeli adversaries. Palestinians of the West Bank and Gaza continued to look to the PLO, at least to Arafat's Fatah organization, as their spokesman, but many were becoming increasingly frustrated by Arafat's indecisiveness and fecklessness.

¹¹ *Ha'aretz* (Tel Aviv), March 19, 1986, in FBIS-MEA, March 21, 1986, p. 13.

¹² *Yedi'ot Aharanot* (Tel Aviv), October 17, 1986, in FBIS-MEA, October 20, 1986, pp. 17-18.

¹³ *Yedi'ot Aharanot* (Tel Aviv), April 1, 1986, in FBIS-MEA, April 1, 1986, p. 14.

Disillusionment with Fatah and the Israeli occupation had already pushed increasing numbers of young Palestinians into more extreme fundamentalist groups or into a more militant leftist orientation. The vast majority of West Bankers and Gazans remained out of the political arena. Most opposed too close an association with Israel or Jordan, but their pragmatism and their desire to end the Israeli occupation made them more receptive than the PLO to alternative ways to improve their status.

It was this dilemma that Arafat's PLO had to confront. Unlike more ideological groups like the PFLP that saw intimidation alone as the way to prevent Palestinians from working with Israel or Jordan, Arafat recognized the importance of using carrots as well. Through use of the Jordanian-PLO joint committee funds, Arafat had sought to increase his influence in the occupied territories. Moreover, Arafat's dialogue with Hussein was partly an effort to gain access to the West Bank and to convince West Bankers that the PLO was a pragmatic force willing to cooperate with Jordan and perhaps even with Israel in a negotiated settlement.

Nonetheless, between 1984 and 1987 several new factors emerged that threatened to weaken the PLO's position and forced Arafat to take a more aggressive approach to Jordan and the West Bank. None of these factors alone was enough to erode the PLO's hold on local Palestinian loyalties, but Arafat was concerned that they could affect the future political balance. Indeed, of all the PLO's constituencies, Arafat could not afford to take chances with West Bankers and Gazans—the core element in any political solution of the Palestinian problem.

PROBLEMS FOR ARAFAT

First, the PLO had to deal with the rupture in relations with Jordan. The West Bank's pro-PLO press reacted negatively to Hussein's February, 1986, blasting of the PLO and seemed to side with Arafat against Jordan's efforts to portray the PLO as the major obstacle in the peace process. Nonetheless, some critics, like Bethlehem Mayor Elias Freij, publicly called on the PLO to rectify the situation and implicitly criticized the PLO's refusal to accept UN Resolutions 242 and 338.¹⁴ Even the pro-PLO daily, *al-Fajr*, was hesitant to criticize Jordan, pre-

ferring instead to blame the United States for the impasse.¹⁵ Indeed, most Palestinians whose sympathies lay with the PLO viewed the deterioration of ties with Jordan as a major setback to their peace process hopes.

In an effort to avoid a complete break and to preserve the base in Amman that gave the PLO direct access to over two million Palestinians in Jordan and the West Bank, Arafat reacted cautiously to the King's speech. In fact the PLO's Executive Committee meeting in March emphasized that the February 11 agreement was still valid and affirmed the importance of continuing relations.¹⁶ Nonetheless, Jordan's subsequent measures to freeze the political dialogue with Arafat and close Fatah offices in Amman that summer confirmed the fact that relations were likely to get worse before they got better.

Second, the PLO's break with the Jordanians came amid rumors and reports of Israeli initiatives toward the West Bank and the rumors of tacit cooperation between Israel and Jordan. In February, Israeli Prime Minister Shimon Peres articulated a plan for the devolution of authority in the West Bank.¹⁷ That spring, an initiative to appoint West Bank mayors to four towns appeared to be gaining ground. In April, in an effort to change the style of the dialogue between Israel and local Palestinians, Shimon Peres issued a statement referring to the Palestinians as a nation—a statement that drew bitter attacks from the Likud and more extreme Israeli parties but led to positive public reaction from even pro-PLO Palestinians.¹⁸

The PLO's response was predictable. Although most West Bankers would not associate themselves with Israeli political initiatives, some PLO extremists apparently believed they would. In early March, Zafer al-Masri, the acting mayor of Nablus, was murdered—responsibility for this was claimed by both the Abu Nidal organization and the PFLP.¹⁹ The killing paradoxically prompted a huge pro-PLO rally in Nablus and prompted at least one West Bank mayoral candidate to withdraw, although surprisingly this did not derail the campaign to appoint new mayors. In September, with Jordan's tacit approval, three West Bankers became heads of municipal councils. Predictably, the PLO blasted the decision as an effort to support the autonomy plan proposed by the "enemy Shimon Peres."²⁰

Third, in the wake of deteriorating PLO-Jordanian ties, in November, 1986, Hussein formally launched a development program for the West Bank. Although the plan was nominally designed to improve the economic and social conditions of Palestinians living under Israeli occupation, it appeared to have a political focus as well. Along with the issue of West Bank mayors and the opening of a branch of the Cairo-Amman Bank in Nablus, the Jordanian plan was interpreted by the PLO as part of a Jordanian campaign to strike at its influence in the West Bank. The PLO had already attacked what it believed to be political coordination between Peres and Hussein, and now it criticized Hussein. In early

¹⁴Paris Radio Monte Carlo, February 20, 1986, in FBIS-MEA, February 21, 1986, p. I2.

¹⁵*Al-Fajr* (Jerusalem), February 20, 1986, in FBIS-MEA, February 21, 1986, pp. I2-I3.

¹⁶Amman Television Service, March 8, 1986, in FBIS-MEA, March 10, 1986, pp. A1-A6.

¹⁷Jerusalem Domestic Service, February 10, 1986, in FBIS-MEA, February 11, 1986, pp. I2-I3.

¹⁸Jerusalem Domestic Service, April 8, 1986, in FBIS-MEA, April 9, 1986, p. I1; see also Tel Aviv IDF Radio, April 9, 1986, in FBIS-MEA, April 9, 1986, p. I1.

¹⁹Paris Radio Monte Carlo, March 2, 1986, in FBIS-MEA, March 3, 1986, p. A1.

²⁰Manama WAKH, September 30, 1986, in FBIS-MEA, October 1, 1986, p. A2.

January, 1987, Arafat personally attacked the Jordanian initiative.²¹

THE FUTURE: UNANSWERED QUESTIONS

Reading tea leaves on the PLO's future is at best problematic. Nonetheless, it is clear that the Palestinian movement will face several key questions over the next several years that will play a major role in shaping its future.

• With Friends Like These

Can a Palestinian movement realistically hope to achieve its aim of a Palestinian state, when that goal is supported in principle but opposed in practice by both Jordan and Syria?

• Israel, the Ultimate Challenge

The PLO can never hope to defeat Israel on the battlefield; diplomacy is its only practical alternative. But can Palestinians formulate an effective political response when they do not have a strategy to deal with the mainstream Israeli political establishment or public?

• Whose Side Is Time On?

The notion that Palestinians can outwait and outproduce the Israelis may be a convenient rationalization, but it is no substitute for an effective strategy. It is difficult to see how time or demography will bring Palestinians any closer to achieving their territorial and political goals.

• No Place To Wait

For most of its history, the PLO has had a relatively independent base from which to operate. This has helped it cope with its dangerous dependence on Arab regimes. Whether the PLO can maintain its independence and effectiveness without such a safe haven remains to be seen.

How the Palestinians cope with these challenges will determine their future in the years ahead. That some organization will continue to express a Palestinian national identity is clear. Whether the current PLO will be able indefinitely to maintain its cohesion, the loyalties of its constituents and its independence from Arab state control depend on numerous factors too unpredictable and complex to enumerate here. Whatever the fate of the PLO, however, the Palestinian issue will remain a critical component in Middle Eastern politics and a central factor in any resolution of the Arab-Israeli conflict. ■

²¹Baghdad Voice of PLO, April 28, 1986, in FBIS-MEA, April 29, 1986, p. A3; also, Sanaa Voice of Palestine, January 7, 1986, in FBIS-MEA, January 8, 1986, p. A1.

THE ISLAMIC RESURGENCE

(Continued from page 56)

ments in the Middle East in the 1980's. Recent events could lead to a change in local perspective on the traditionally secular Arab-Israeli conflict—and what solutions will be acceptable. After Israel's showdown with southern Lebanon's Shia, a Sunni fundamentalist movement began to emerge among Arabs living in Israel and

its occupied territories. The first development did not directly cause the second; there are vast differences between chaotic Lebanon and Israel, as well as between the fundamentalist groups in each state. But the withdrawal did prove—again—that Islam works as an idiom of opposition. During the three-year occupation, the poorly organized and underarmed Shia accomplished what the Palestine Liberation Organization (PLO), arguably the world's best-armed and best-financed guerrilla organization, had been unable to do for two decades.

This turn of events made the trend in Israel almost predictable, demonstrating that Islamic activism was no longer just an Iranian purview. Although Lebanon's activists were Shia, members of the sect that dominates in Iran, they were *Arabs*. This breathed new life into the Islamic awakening among Sunni Arabs disillusioned with the Iranian theocracy.

A 1986 poll by *Al Fajr*, a Palestinian newspaper, showed that 26.5 percent of those questioned supported the rule of the occupied territories by Islamic law or Sharia—although fewer than 2 percent said they supported Iran's Ayatollah Ruhollah Khomeini.²⁰ And Israeli security forces have conceded that they are worried about the emergence of fundamentalist cells—this has been the worry of the PLO. Hani Hassan, Yasir Arafat's chief political adviser, predicted in an interview,

If there is no solution to the Palestinian problem, then this area will become so radical under the influence of Islamic fundamentalism that you won't believe it. Then you wait and see how welcome the U.S. is as a mediator.²¹

Subsequent events indicated that factions within the PLO might be trying to jump on the bandwagon.

The first signs of militant Islam in Israel appeared during a February, 1986, grenade attack that injured eight Jewish settlers and soldiers in a Gaza market. Islamic Jihad took credit in clandestinely circulated leaflets. Since then the group, which has reportedly received help from secular Palestinian factions like Arafat's Fatah, has been linked with a series of grenade attacks and stabbings in Gaza and Jerusalem. "If there is something that should bother us in the future, it is a religious reawakening, which has begun in the Gaza area and which is growing and liable to intensify," West Bank military commander Amram Mitzna told reporters last October.²²

The emergence of Islamic undercurrents among local Palestinians, roughly 90 percent of whom are Muslim, could become a turning point in the Middle East, not just because religion might cut across the now deep divide of fractious Palestinian politics to provide a new unifying force. In addition, the two contemporary Middle East conflicts—the 40-year Arab-Israeli conflict over the Palestinian issue and militant Islam's more recent campaign against the West and moderate Arab regimes, symbol-

²⁰Glenn Frankel, *The Washington Post*, October 20, 1987.

²¹Interview in Amman, December, 1985.

²²Frankel, *op. cit.*

ized by but not limited to Iran and Lebanon—have been separate until this juncture. Although the Iranians have boasted of eventually “marching all the way to Qods,” or Jerusalem, their prime interest is the holy site, not the Palestinian issue. With the growth of Palestinian fundamentalism, the two conflicts could, for the first time, merge—with potent implications. Israeli analysts have actually begun to speculate on the possibility that the conflict might take on the overtones of a holy war, especially in light of the growing number of Jewish fundamentalists. This group of Israelis want to retain the West Bank—or biblical Judea and Samaria—not because of security concerns but because of a God-given mission to recreate the biblical Kingdom of Israel.²³

Although the Islamic resurgence is still in an early stage, after two decades it is an increasingly potent force in the Middle East—as are politicized religions elsewhere in the world. Indeed, Muslim activism in politics is only one aspect of what is a worldwide phenomenon.²⁴ But because of its inherent mixture of religion and politics, Islam could well become one of the world's strongest ideological forces in the late twentieth century. ■

²³*Christian Science Monitor*, November 5, 1987, and November 6, 1987; Robin Wright and Ehud Sprinzak, *Los Angeles Times*, March 26, 1987.

²⁴See the series by the author on religion in politics worldwide, in *The Christian Science Monitor*, November 4–November 12, 1987.

THE IRAN-IRAQ WAR

(Continued from page 64)

compliments about their wise opposition to the American military presence in the Persian Gulf. The United States Defense Department has given Soviet and Iranian leaders a common cause, one that Iran has tried to exploit to the hilt in resisting American military, economic and diplomatic pressures inside and outside the United Nations (UN). This is why the Iranians look the other way when boatloads of Soviet arms transit the Persian Gulf; it is expedient to do so.

ARMED HOSTILITIES

Iran and the superpowers were on a collision course as early as May, 1987. Paradoxically, the Iraqis were at that time clashing with the Americans, and the Iranians with the Soviet Union. On May 17, 1987, Iraq hit the U.S.S. *Stark*, in the first, and so far the only, attack on a nonbelligerent warship in the gulf, resulting in the death of 37 American servicemen and the injury of 21 others. Two attacks on Soviet ships in the same month reportedly had Iranian backing. One ship was hit on May 6 and another vessel on May 17. The latter was one of three tankers that the Soviets had leased to Kuwait.

By late 1987, the tanker war had, in the words of the Kuwaiti ruler, become an “international concern.” The United States had about 32 warships in the region, a

force more than five times as large as the low-profile Middle East Force that had been in the gulf since 1949. Other Western powers initially held back, refusing to deploy their forces in the gulf. They believed that Washington was being too confrontational in its stance vis-à-vis Iran. But the pressure of events led to the increased presence of British, Dutch, French, Italian and Belgian naval forces. Soviet officials said that Moscow had six naval vessels in the area, and Western sources identified three minesweepers, two frigates and an intelligence-gathering vessel. Three of the GCC states cooperated with United States forces. Navy P-3 patrol aircraft operated from Masirah Island off Oman. AWACS with some United States crews and Air Force refueling tankers operated out of Saudi Arabia. And an administrative support unit of about 150 individuals was located at Jufair, Bahrain.

Yet, except for the United States, no outside power intervened in the Iraq-Iran tanker war. On July 24, 1987, the Kuwaiti supertanker *Bridgeton*, registered under the American flag, struck a mine while under the first American naval escort on its way to Kuwait. Later, on August 10, a United States Navy F-14 fired on an Iranian F-4 and missed. And on August 24, the United States destroyer *Kidd* fired machine-gun bursts across the bows of two unidentified sailing vessels, which turned away.

Mutual brinkmanship led to skirmishes. A United States Navy helicopter fired on an Iranian vessel, the *Iran Ajr*, which the Reagan administration said was laying underwater mines 50 miles from Bahrain. The attack took place on September 21, the day before the Iranian President Ali Khamenei was scheduled to address the United Nations General Assembly. Three Iranian crew members were killed and two others were lost at sea. The ship was destroyed several days later, after 26 surviving crewmen were returned to Iran. More Iranian blood was shed on the night of October 8. Allegedly, an Iranian boat fired on American patrol helicopters which, in response, fired and sank three small Iranian patrol boats 15 miles southwest of Farsi Island.

A turning point in the escalation of hostilities was reached on October 16, 1987. For the first time, an American-flagged Kuwaiti ship, *Sea Isle City*, was hit by an Iranian missile while in Kuwaiti territorial waters. Eighteen crew members were wounded and the captain of the ship was blinded.²² While in international shipping lanes, the United States commitment to protect such ships was clear. But would the same rule of engagement apply in this case? The Defense Department believed that it did, but critics cried out against increasing United States involvement. Former President Jimmy Carter said that the United States was acting “in effect as a belligerent” in the war because of the increased American naval presence, and called on President Reagan to invoke the War Powers Resolution.

The administration decided to retaliate on October 19. United States Navy destroyers shelled and set ablaze

²²*The New York Times*, October 17, 1987.

one Iranian derelict oil rig, and United States crewmen blew up two other rigs. Iran-bashers within the administration considered the United States action inadequate. But others called the attack "a measured and appropriate response," and, according to a White House official, "it was the President who was quite firm that Iran had not attacked a United States warship, and our response would be something less" than a major escalation of the conflict.

Predictably, Iran retaliated. On October 22, it fired a missile into Kuwait's Sea Island terminal, but once again its action was more restrained than its rhetoric. The Iranian strategy called for retaliation against any hostile American action. However, Iran's response was always tempered by the fact that its leaders accorded the highest priority to the pursuit of the war against Iraq. The opening of a new war front would sap Iranian energies and deflect resources from the major war. In this instance, Iran retaliated by hitting a Kuwaiti rather than an American target. The damage was reportedly not severe, but the target was vital to Kuwait's economy and security. Sea Island terminal is the main installation for handling supertankers, which carry about one-third of Kuwait's total oil output.

Brinkmanship in the treacherous waters of the Persian Gulf also resulted in a tragic accident on November 1, 1987. United States naval forces killed an Indian fisherman when they fired on an Arab fishing boat suspected of being an Iranian vessel. In spite of the fact that the American account of the incident was disputed by port officials and witnesses in Sharjah, the United States defended its actions by insisting that any "action perceived as hostile intent to United States ships will be taken seriously." The State Department's attitude was not so hawkish. Its spokesman said, "The United States regrets any loss of life, regardless of circumstances. We extend our regrets to the Indian government and our condolences to the family of the Indian casualty. . . ."

THE ROAD TO PEACE

Two years before the start of the tanker war, this author, as a consultant to the United Nations Secretariat General in 1982, proposed the establishment of a "United Nations Naval Patrol Authority" for the Persian Gulf. It was argued that the Iraq-Iran war was bound to threaten international navigation; hence the United Nations was advised to use "preventive diplomacy" to protect oil shipments through this "global chokepoint."²³ In 1987, three years after the tanker war began, a similar

²³I first developed these ideas in a paper presented at the International Conference on Indian Ocean Studies held in Perth, Australia, in August, 1979. The paper was published subsequently as "The Strait of Hormuz: The Global Chokepoint," in Larry W. Bowman and Ian Clark, eds., *The Indian Ocean in Global Politics* (Boulder: Westview Press, 1981), pp. 7-20.

²⁴See Cyrus E. Vance and Elliot L. Richardson, "Put the U.N. into the Persian Gulf," *The New York Times*, October 20, 1987.

proposal was made by former United States Secretary of State Cyrus Vance and the former United States Secretary of Defense, Elliot L. Richardson.²⁴ But neither proposal can be effective today. The tanker war is now raging at full force and American military intervention is threatening to escalate the conflict, not contain it. Moreover, the intensification of the tanker war by Iraq since the summer of 1986, like its initiation by Iraq in 1984, demonstrates that the momentum of the war, especially the crucial land war, favors Iran. Hence, the need for a cease-fire is urgent.

Yet, contrary to Defense Secretary Weinberger's ideas, there is no reason why peacekeeping forces can work only after a cease-fire has been established. As a matter of fact, even after a cease-fire is enacted, or after a comprehensive peace treaty is signed, a new cycle of conflict between Iran and Iraq may plunge the region into an even more dangerous war, particularly if either side or both sides manage to acquire nuclear capability. The ill fate of the 1975 Iraq-Iran treaty is a sobering precedent. Because it failed to provide for the creation of any third-party observer posts, once Iraq decided to scrap the treaty there was nothing to prevent the rapid escalation of border skirmishes into an all-out war. Any future peace treaty between Iraq and Iran must provide for the creation of an impartial observer mechanism on the frontiers between the two countries.

For now, this author suggests the creation of a United Nations Naval Patrol Authority in tandem with, not before or after, the United Nations efforts to reach a cease-fire. For the first time, in 1987, Iran adopted a diplomatic option in efforts to end the war. It is not simply stalling to stock up on ammunitions for another land offensive, although Iran will probably launch such an offensive sometime before March, 1988, if its terms for a cease-fire are not met. In keeping with its pragmatic open-door policy, Iran is determined to avoid international isolation. It is also responding to the first relatively equitable resolution adopted by the Security Council. In its guidelines of October 15, 1987, to Secretary-General Javier Pérez de Cuéllar, the Security Council linked the cease-fire with the establishment of an "impartial body" to ascertain who started the war. In effect, it gave Iran a concession in return for having shown a degree of flexibility. As a result, the provisions of Resolution 589 of July 20, 1987, have been interpreted to mean that "the observance of a cease-fire" should start concurrently with the "setting into motion" of such a body. If so, the UN peacemaking process may be getting under way, and Iran and Iraq may for the first time hold indirect talks.

The creation of a UN patrol authority simultaneously with the progress made in the peacemaking process will have the great advantage of enabling outside powers, particularly the United States, to start reducing their large military forces in the Persian Gulf. Such a process is bound to deescalate current mounting tensions and to decrease the growing armed hostilities between Iran and

the United States. Moreover, it will help reduce the temptation on the part of the rival superpowers to exploit local tensions in promoting their conflicting national interests in the region. For this reason, such a UN authority should exclude both superpowers from its functions.

Most important, the monitoring role of such an authority must be compatible with the long-cherished principle held by all the gulf states that the security of the region is primarily their responsibility.²⁵ Despite all the trials and tribulations of the years since its establishment in 1981, the GCC has continued to adhere to the principle of collective self-reliance.²⁶ The cooperation of Saudi Arabia, Kuwait and Oman with the United States is intended to uphold, rather than to undermine, that principle. The danger is that the Defense Department might be tempted to take advantage of this cooperation to improve the United States ability to compete with the Soviet Union for power and influence. Instead, the United States should aid the nascent regional organization to turn present adversity to future advantage by realizing the GCC vision of an Arab confederation in the gulf region. ■

²⁵See R. K. Ramazani, "Security in the Persian Gulf," *Foreign Affairs*, Spring, 1979, pp. 821-835.

²⁶Ramazani, *The Gulf Cooperation Council*, ch. 5.

ISRAEL

(Continued from page 68)

the decision, there was substantial anger and dismay in Israel, particularly among the workers at Israel Aircraft Industries and their supporters. Moshe Arens, generally considered to be the "father of the Lavi," resigned from the government in protest. It was widely believed that this would have a deleterious effect on his political future, but he saw it as a matter of principle.

After the decision, there was the expectation that funds would be made available for other weapons systems and for research and development in other military areas. At the same time, Israelis waited with anticipation for the "compensation" and concessions from the United States that, it was hinted, would follow the decision to cancel the project. Subsequently, the Israeli government sought to press the United States to ease the negative economic effects; the United States had also suggested that it would move in that direction.¹¹

Economic problems have beset Israel since its in-

¹¹An argument for United States assistance to Israel, and some suggestions as to what kind of assistance, was offered in Dov S. Zakheim, "Bailing Out Israel," *The New York Times*, October 6, 1987. Zakheim, United States deputy under secretary of defense from 1985 to 1987, had been the most prominent United States spokesman to support cancellation of the Lavi project.

¹²One member of the team was Professor Stanley Fischer of the Massachusetts Institute of Technology. For his views on the inflation problem and Israel's economy, see Stanley Fischer, "Israeli Inflation and Indexation," in Bernard Reich and Gershon R. Kieval, eds., *Israel Faces the Future* (New York: Praeger, 1986), pp. 93-119.

dependence, but their nature has varied over time. The dominant economic issues today are the high inflation and the slow growth rates that have been characteristic of the Israeli economy since the 1973 war. The standard of living of the average Israeli has stagnated in recent years.

In July, 1985, Israel adopted a new program to deal with the several ills of the economy—most notably, the problem of hyperinflation. There were four main elements. The budget deficit was cut; the shekel was devalued and then pegged to the dollar; prices and wages were frozen for three months; and the indexation of wages to prices was suspended. The latter had the effect of a 20 percent drop in real wages, and a dramatic rise in unemployment was prevented. The wage and price freeze was gradually lifted. High interest rates tightened credit. The program met its basic objectives.

Peres and the national unity government were prepared to take the difficult measures necessary to make the program work. The program attacked all sectors of the problem at once—involving manufacturers, labor unions, the state budget and the exchange rate. Wages and the state budget were cut; prices and the exchange rate were frozen. Facilitating the effort was the fact that crude oil prices and commodity prices were down and worldwide interest rates had declined. The worldwide decline in oil prices was important to Israel's energy-importing economy and reduced its expenditures for oil by about 35 percent between 1985 and 1986. These factors enabled Israel to save a substantial amount of foreign currency during the initial two years of the austerity period.

The United States proved particularly helpful. During 1985 and 1986, it provided Israel with an additional \$750 million per year over and above the regular aid program of some \$3 billion a year in economic and military assistance. The extra United States aid was crucial; it made it possible for Israel to take risks that otherwise might not have been adopted. The United States was also instrumental in offering advice from George Shultz and his economic team.¹²

During his tenure as Prime Minister, Peres received high marks and a strong positive response for controlling inflation and for other measures that helped to bring the economy under control. Israel's economy has undergone substantial alteration. The annual inflation rate of some 450 percent declined to a less than 20 percent rate by 1987. The change was accomplished without the usual side effect of unemployment, which remained at about 7 percent at the end of 1986 and dropped to less than 6 percent in 1987. And a recession was avoided.

The balance of payments improved and foreign currency reserves doubled. The shekel remained relatively stable against the dollar. The state budget, which is about \$24 billion, is virtually in balance, partly through the cutting of food and transportation subsidies and the imposition of new taxes on such items as foreign travel and cars.

In January, 1987, the NUG adopted a series of measures that, in effect, constituted the second stage of the 1985 emergency efforts. The government tried to lower inflation to an annual one-digit rate (i.e., less than 10 percent), to improve the balance of payments further, to increase exports and their profits, to create a climate and condition for business growth while reducing government involvement in the economy (i.e., to reduce the size and significance of the public sector) and to cut the budget. The government devalued the shekel by 10 percent (from 1.5 to 1.65 to the dollar), increased prices on some subsidized goods (e.g., bread, milk, frozen chicken), extended some price controls, instituted tax reform and postponed payment of part of the cost of living allowances, as well as other measures.¹³

The main question is whether or not the Israeli government will take the necessary additional steps and retain essential existing measures to sustain economic progress. Long-awaited and long-needed changes in the basic structure of the Israeli economy are necessary to enable it to compete successfully in world markets. Israel seems well suited to playing an integral role in the modern world economy, with its stress on technology and sophisticated industries and services. It is a small but important center of technical and scientific skill. It is strong in the areas of basic scientific research, military applications and computer-related software and other related items. Will it make additional spending cuts and take the austerity measures necessary to keep inflation under control and to bring about the growth the economy requires? Can the public be convinced of the need to continue its concessions and sacrifices?

The success of Israel's economic recovery depends on the productivity of its work force, the utilization of Israel's human resource skills and the quality of Israel's leadership. The leadership problem may become especially difficult in 1988 because it is an election year, when austerity and spending cuts are unpopular. ■

¹³Israel Radio, January 13, 1987. See also the interview with Prime Minister Shamir on Israel Radio, January 13, 1987.

UNITED STATES POLICY

(Continued from page 52)

cess forward. Reasons were the same as those of previous years: a lack of inclination on the part of the President to become deeply engaged; the existence of an Egyptian-Israeli peace treaty that at least seemed to reduce the risks of an Arab-Israeli war; and a concomitant reduction of the risks of United States-Soviet confrontation.

In the history of successful Arab-Israeli peacemaking, there have so far been two key ingredients: the willingness of the United States, up to and including the United States President, to be actively engaged on a sustained basis; and the willingness of Israel and at least one neighbor to move forward.

The second ingredient was also lacking, first of all because Israel continued to have a divided government.

Prime Minister Yitzhak Shamir (of the Likud party) favored a peace process that would derive from the Camp David accords—providing some form of autonomy for the West Bank and Gaza, with Israel probably later asserting sovereignty. By contrast, Foreign Minister Shimon Peres (of the Labor party) sought a means to enter into direct negotiations with Jordan's King Hussein and some representatives of the Palestinians.

For King Hussein, however, it was important to have what was termed an "umbrella" for entering into talks with Israel, along with some form of Palestinian representation that would be acceptable to the Palestine Liberation Organization (PLO). By his reasoning, this was needed, in particular, to keep Syria from disrupting any agreement that was suggested. Hence, the idea of an international peace conference, to include the five permanent members of the UN Security Council, along with regional countries and representatives.

In 1987, the United States blessed this effort, less because it showed prospects for early success, if at all, than because it showed some United States willingness to act, effectively placing the Reagan administration on the side of Shimon Peres in Israeli politics. In addition to trying to break a diplomatic logjam, this affiliation might be helpful to Peres in the November, 1988, Israeli elections.

On his first trip to the Middle East in three years, in October United States Secretary of State George Shultz reportedly went a step further. In response to prompting from Peres and King Hussein, Schultz said that a truncated international peace conference could be conducted under the joint sponsorship of the United States and the Soviet Union.

As a means of keeping alive some impetus for peace, United States acquiescence in some form of international peace conference might have been unobjectionable, save for the potential role of the Soviet Union. Yet questions remained throughout 1987 about the role that the Soviet Union would play at such a conference. From the point of view of the West, ideally the Soviet Union would give its blessing at opening ceremonies, and major diplomacy would thereafter devolve to subgroups. Most important would be the subgroup involving Jordan, Israel and some Palestinian representation. By some reckoning—including that put forward by the Soviet Union—any conclusions reached would be referred back to the main conference for ratification. This would give the Soviet Union, Syria and the PLO a veto. By other reckoning, however, if Jordan and Israel could come to an understanding, with Palestinian acquiescence, then there would be little for the main conference to do. Politically, there would be a fait accompli. The Soviet Union and its allies would be isolated.

In 1987, it continued to be doubtful that the Soviet Union would be content with any role in a peace conference that would not give it clear guarantees of being able to stymie progress. In 1973, Soviet diplomats took part in a Geneva conference, only to have their role

eclipsed by the diplomacy of United States Secretary of State Henry Kissinger. In October, 1977, they agreed to a new international conference, only to see it scotched within days through Israeli intercession with President Carter, followed by Egyptian President Anwar Sadat's dramatic breakthrough and the meeting at Camp David. It was unlikely that the Soviet Union would enter a third time into ambiguous arrangements. At the same time, Moscow was courting not just Israel's Labor party, but also the Likud party. In the latter courtship, Moscow held out the prospect of renewing Soviet-Israeli diplomatic relations, severed during the 1967 war, plus the possibility of sizable increases in the exodus of Soviet Jews—not to the United States, but directly to Israel, with its declining population.

By year's end, it was not clear what role the Soviet Union was prepared to play in Arab-Israeli peacemaking diplomacy, especially regarding the possibility of its moving beyond the classic stance of "no war, no peace." The veto it would insist on in any international peace conference could, therefore, be a Soviet bid for involvement and influence, not for a peace settlement.

This was clearly important to United States interests in the region. Clarifying Soviet motives should have been made a key condition—a point to be tested—before the United States entertained the idea of a conference with a role for the Soviet Union. As it happened, after seven years of making little effort to promote peace between Israel and its neighbors, the United States was complicit in its own demotion from being the sole outside peacemaker to sharing responsibility and influence with the Soviet Union.

CONCLUSIONS

The question hanging over the Arab-Israeli peace process at the end of 1987—what role for the United States, what for the Soviet Union—illustrates the problems shadowing the broader, long-range development of United States policy in the Middle East. If anything, 1987 ended with more doubts about the future role of the United States in the region. The United States had shown that it would deploy added naval power to the Persian Gulf—where it has a clear vital interest—but the wisdom of the time, the place, the method and the motives was questioned by many observers, both in the United States and in West Europe.

Meanwhile, for a variety of reasons the United States had not yet regained the confidence of moderate Arab states. It had not completed the process of forcing Iran to the bargaining table. It found increasing difficulties in providing advanced weaponry to Arab states, including Jordan. And it was doing little of substance in Arab-Israeli peacemaking—an effort that, in the eyes of many regional observers, is also necessary in order to try to limit the appeal of Islamic fundamentalism.

Unlike many other times of difficulty for the United States in the Middle East, however, it was no longer fea-

sible to ask in 1987: "where else can the regional states go?" Gorbachev's Soviet Union—certainly neither loved, nor trusted, nor possessed of desirable economic or ideological goods—was trying to regain an active role and to become an important force in the region. This did not mean that Moscow would soon, if ever, supplant Washington as the key outside arbiter of events. But it meant that the United States was no longer alone, that its position was being challenged, that its diplomacy was being compared to that of the Soviet Union. These facts, along with growing fears that the United States would not be equal to the task of dealing with the myriad facets of complex change in the region, led to speculation at year's end about American steadfastness and staying power. Unless the United States manages to shore up its fading reputation for leadership, wisdom and creativity, the questions posed about United States policy toward the Middle East in 1987 will mark that year as the nadir of the United States position in the region. ■

SYRIA AND LEBANON

(Continued from page 80)

"Lebanese national accord," he believes, security could be achieved.¹⁴ The problem appears to be intractable; Assad has to contend not only with bitter enemies like the (Maronite) Lebanese Forces commander Samir Geagea but with divisions among his allies in Lebanon. As a last resort, Damascus moved troops into West Beirut in February, 1987, to quell fighting between Shia Amal and Druse militiamen. Neither party wanted to give the other an advantage, and the fighting had begun to appear interminable.

The task of achieving a national accord requires accommodating the interests of Lebanon's dozen sects and a number of cross-confessional parties. Accommodation is complicated by divisions within the two largest communities. In both, leadership is gravitating into the hands of men who do not come from the traditional leading families. Geagea took control of the Lebanese Forces after ousting Elie Hobeika, who had allied himself with Syria. Both Geagea and Hobeika are in their thirties, and neither comes from an important family.

Geagea's fundamental position is that no progress toward national reconciliation can begin until all Syrian forces leave; his aim is continued Maronite predominance. Lebanon's President Amin Gemayel agrees "that there cannot be a Syrian solution to the Lebanese question, but . . . [he believes] that there is no solution to the Lebanese question without Syria."¹⁵ Gemayel lacks the clout to prevail over Geagea. However, Gemayel's term ends in 1988, and he cannot succeed himself in office.

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¹⁴Text of interview given to *Washington Post* reporters, read over Radio Damascus, September 21, 1987, in FBIS, September 22, 1987.

¹⁵Speech to UN General Assembly, Radio Beirut, September 24, 1987, in FBIS, September 25, 1987.

THE MONTH IN REVIEW

A Current History chronology covering the most important events of December, 1987, to provide a day-by-day summary of world affairs.

INTERNATIONAL

Arms Control

Dec. 8—U.S. President Ronald Reagan and Soviet General Secretary Mikhail Gorbachev sign an Intermediate Nuclear Force (INF) treaty. The treaty calls for the dismantling of all short- and medium-range missiles and for a system of independent verification and weapons inspection.

Association of Southeast Asian Nations (ASEAN)

Dec. 15—A 2-day summit of the heads of state of the ASEAN nations concludes in Manila; this is only the 3d high-level conference in the 20-year history of ASEAN.

Following the summit, Japan announces a \$2-billion aid package to ASEAN.

European Economic Community (EEC)

Dec. 5—The leaders of the 12 nations of the EEC end a 2-day summit meeting in Copenhagen; the EEC leaders fail to agree, however, on reforming agricultural subsidies and the EEC budget, the 2 main topics on the agenda. The EEC will hold another summit in Brussels during February, 1988.

Gulf Cooperation Council (GCC)

Dec. 26—The council begins a 4-day summit in Saudi Arabia.

Dec. 27—At the summit, King Fahd of Saudi Arabia criticizes Iran for exporting Iranian religious ideology and ignoring the plight of the Palestinians in Israel.

Dec. 29—The council ends its meeting, calling for acceptance by Iran and Iraq of the UN Security Council cease-fire resolution and asking the UN to implement sanctions against Iran if it refuses to support the truce.

Iran-Iraq War

(See also *Intl, OPEC; U.S., Foreign Policy*)

Dec. 6—A Singapore-registered tanker, the *Norman Atlantic*, is set on fire near the Strait of Hormuz by Iranian gunboats.

Dec. 7—Iran fires a Silkworm missile at an oil terminal in Kuwait, but the missile harmlessly strikes a decoy barge.

Dec. 9—Iran says that it bombed several sites near Basra in Iraq; Iraq announces that it has destroyed a sugar refinery in western Iran.

Dec. 10—The *Norman Atlantic* sinks after being set on fire December 6 by Iranian gunboats; the *Norman Atlantic* is the 1st tanker to be sunk since the tanker war began in 1984.

Dec. 12—A helicopter from the U.S. destroyer *Chandler* and a private helicopter rescue the crew of a Cypriot-registered tanker that was attacked by Iranian forces in the Persian Gulf.

Dec. 21—Iran and Iraq renew hostilities on the south-central Persian Gulf front; Iran claims to have killed 1,000 Iraqis, while Iran says that 1,200 Iranians died during the Iranian offensive.

Dec. 22—Iraq bombs 4 supertankers used for storage at Iran's Larak Island terminal.

North Atlantic Treaty Organization (NATO)

Dec. 12—Visiting Denmark, U.S. Secretary of State George Shultz says that the individual NATO members will have to increase their spending on conventional weapons.

Organization of American States (OAS)

Dec. 7—A resolution is passed by the OAS asking the government of Haiti to allow free elections.

Organization of Petroleum Exporting Countries (OPEC)

(See also *U.S., Economy*)

Dec. 12—Because of hostilities between Iran and Iraq, the OPEC ministers fail to reach an agreement on benchmark price and production levels for 1988.

Dec. 14—With the exception of Iraq, the OPEC members agree to keep the price of oil at \$18 per barrel for the next 6 months and to maintain current production quotas. Iraq requested an oil production quota equal to Iran's, while Iran asked for a price of \$20 per barrel of oil.

United Nations (UN)

(See also *Intl, GCC; U.S., Foreign Policy*)

Dec. 2—Saying that the failure of the U.S. to pay its UN dues is a threat to the solvency of the UN, Secretary General Javier Pérez de Cuéllar asks the General Assembly to borrow \$50 million from international financial markets.

Dec. 7—Secretary General de Cuéllar tells Vernon Walters, the U.S. ambassador to the UN, that a decision by a U.S. congressional subcommittee to close the Palestine Liberation Organization (PLO) observer mission in Washington, D.C., is a violation of a 1947 agreement between the UN and the U.S.

Dec. 22—The Security Council adopts a resolution that "strongly deplores" the recent actions by Israel in the West Bank and the Gaza Strip; the resolution is approved by a 14-0 vote, with the U.S. abstaining.

Dec. 24—The General Assembly adopts a \$1.77-billion budget for the next 2 years, despite objections from the U.S.; the General Assembly also condemns the Soviet Union for its involvement in Afghanistan and its support for Vietnam's occupation of Cambodia.

U.S.-Soviet Summit

(See also *Intl, Arms Control*)

Dec. 7—Soviet General Secretary Mikhail Gorbachev arrives in Washington, D.C., to prepare for the 3-day U.S.-Soviet summit; this is the first visit by a Soviet head of state to the U.S. in 14 years.

Dec. 8—In addition to signing the INF treaty, President Reagan and General Secretary Gorbachev talk about further arms reductions; Gorbachev then meets with a delegation of U.S. congressmen. In a later meeting with media executives, Gorbachev defends his stand on human rights, saying that he told President Reagan that "you are not the prosecutor and I am not the accused."

Dec. 9—On the 2d day of the summit, President Reagan and General Secretary Gorbachev discuss the potential withdrawal of Soviet troops from Afghanistan and the prospects of reducing the long-range (strategic) nuclear arms arsenals of each nation.

Dec. 10—The summit ends; both leaders claim that considerable progress has been made toward the reduction of strategic weapons. President Reagan terms the summit "a clear success," while General Secretary Gorbachev calls the meeting "a major event in world politics."

White House spokesman Marlin Fitzwater says that President Reagan will travel to Moscow this spring for another summit meeting with Gorbachev.

AFGHANISTAN

(See *Intl, UN, U.S.-Soviet Summit; U.S.S.R.*)

ANGOLA

(See *South Africa*)

BANGLADESH

Dec. 6—President H.M. Ershad orders Parliament dissolved; for the last month, Bangladesh has been beset by protests and strikes calling for the resignation of President Ershad.

Dec. 7—President Ershad says that parliamentary elections will be held within 90 days.

Dec. 10—The 2 main opposition leaders are released from house arrest; on their release, both leaders demand the resignation of President Ershad.

BRAZIL

Dec. 18—Luis Carlos Bresser resigns as finance minister in a dispute with President José Sarney over austerity plans.

CAMBODIA

(See also *Intl, UN*)

Dec. 4—In France, former Cambodian leader Prince Norodom Sihanouk, who now heads one of the 3 rebel armies in Cambodia, ends a series of discussions with Cambodian Prime Minister Hun Sen; the leaders agree to resume talks at an unspecified later date.

CANADA

Dec. 3—A judicial inquiry concludes that Sinclair Stevens, a former industry minister in Prime Minister Brian Mulroney's Cabinet, violated conflict-of-interest guidelines while he was a Cabinet minister.

COSTA RICA

Dec. 10—President Oscar Arias Sánchez accepts the Nobel Peace Prize in Norway; during his acceptance speech, President Arias asks the U.S. and the Soviet Union to "let Central Americans . . . decide the future of Central America."

Dec. 18—In an interview, President Arias says that a proposed buildup of armed forces by Nicaragua is a "violation" of the Central American peace plan.

CZECHOSLOVAKIA

Dec. 17—Gustav Husak resigns as General Secretary of the Communist party and is replaced by Presidium member Milos Jakes; experts believe Husak's resignation was triggered by health problems.

EL SALVADOR

Dec. 2—Rebel leader Rubén Zamora leaves El Salvador after an 11-day visit; Zamora, who has been in exile for the last 7 years, engaged in a series of talks with government officials during his stay.

FIJI

Dec. 6—Colonel Sitiveni Rabuka steps down as Fiji's head of state as Fiji returns to civilian rule; Ratu Sir Kemasese Mara will be the Prime Minister, but Colonel Rabuka will remain as head of security forces.

FRANCE

(See also *UK, Great Britain; U.S., Foreign Policy*)

Dec. 7—The French government expels 14 Iranians and 3

Turks who are members of the People's Mujahidin, a group opposed to Iran's ruling Ayatollah Ruhollah Khomeini.

Dec. 22—Reports in the French newspaper *Le Monde* accuse the government of Prime Minister Jacques Chirac of continuing to sell arms to Iran through outlets in Portugal.

GERMANY, WEST

(See also *U.S.S.R.; U.S., Economy*)

Dec. 1—The government announces a plan to encourage capital spending in West Germany by cutting interest rates and increasing the amount of credit available from the state reconstruction loan corporation.

Dec. 3—West Germany's Bundesbank cuts its lending rate by half a point to 2.5 percent, which triggers similar actions by the central banks of other European nations; the rate cuts are intended to stabilize the U.S. dollar and to stimulate activity in the world economy.

HAITI

(See also *Intl, OAS*)

Dec. 9—Lieutenant General Henri Namphy, head of the provisional government, reschedules presidential, legislative and municipal elections for January 17; Namphy also says that he will establish a new electoral council to monitor the elections.

INDIA

Dec. 1—The government files homicide charges against Union Carbide and several former Union Carbide officials in the death of 2,800 people in the December, 1984, poison-gas disaster at Bhopal; a civil suit claiming \$3.3 billion in damages was filed previously by the government, with the civil trial scheduled to start in January, 1988.

Dec. 17—An Indian judge orders Union Carbide to pay \$270 million in interim relief to the victims of the Bhopal accident.

IRAN

(See *Intl, GCC, Iran-Iraq War, OPEC; France; UK, Great Britain; U.S., Foreign Policy*)

IRAQ

(See *Intl, GCC, Iran-Iraq War, OPEC*)

ISRAEL

(See also *Intl, GCC, UN; U.S., Foreign Policy*)

Dec. 3—The Israeli army says that it will court-martial several officers who were stationed at the camp attacked by a Palestinian terrorist on November 25; 6 Israeli soldiers died in the attack.

Dec. 9—One Palestinian is killed and 17 others wounded during a skirmish with Israeli soldiers in the Gaza Strip; violence has increased in the Gaza Strip since the murder of an Israeli businessman on December 6.

Dec. 11—At the West Bank town of Nablus, 4 Palestinians are killed when a group of Palestinian refugees riot during a protest demonstration; the Israeli government says that the troops were attacked, while the PLO accuses Israel of a "massacre."

Dec. 15—Israeli forces attack several guerrilla bases in southern Lebanon.

Dec. 16—Reinforcements are sent to the Gaza Strip by the Israeli army in response to escalating violence in the area.

Dec. 19—Disturbances continue in the Gaza Strip as 3 Palestinians die in clashes with Israeli forces; at least 18 people have been killed in the last 10 days of unrest in the West Bank and the Gaza Strip.

Dec. 21—Israeli Arabs join with Arabs from the occupied ter-

ritories of Gaza and the West Bank in a general strike to protest the recent violence between Palestinians and the Israeli army.

Dec. 25—Sources in Israel say that 1,000 Palestinians have been arrested by Israeli soldiers in the last 2 weeks in the West Bank and Gaza Strip.

ITALY

(See also *U.S., Foreign Policy*)

Dec. 16—In Sicily, 338 of 452 defendants are found guilty of murder, drug and extortion charges in the largest Mafia trial in Sicilian history.

JAPAN

(See also *Intl, ASEAN, GCC*)

Dec. 28—The Cabinet approves a national budget that includes a 5.2 percent increase in defense spending; the budget, which takes effect April 1, will contain \$30 billion in defense allocations.

KOREA, NORTH

(See *Korea, South*)

KOREA, SOUTH

Dec. 1—While in custody in Bahrain, 1 of the 2 leading suspects involved in the crash of a South Korean passenger plane near the Burmese-Thai border on November 29 dies after taking suicide pills. Korean authorities believe that a bomb may have exploded on board the plane, which was carrying 115 people.

Dec. 2—President Chun Doo Hwan says that the 2 suspects in the South Korean airliner crash may have connections in North Korea, but stops short of directly accusing the North Koreans of complicity.

Dec. 16—Ruling party candidate Roh Tae Woo defeats opposition candidates Kim Young Sam and Kim Dae Jung in today's presidential election. Roh receives 36 percent of the vote, while Kim Young Sam receives 27 percent and Kim Dae Jung tallies 26 percent.

Dec. 22—President-elect Roh Tae Woo announces that he will conduct a yes-no plebiscite after the 1988 Summer Olympics in Seoul to seek a public vote of confidence; Roh says that he will resign if he fails to receive a majority of yes votes in the plebiscite.

KUWAIT

(See *Intl, Iran-Iraq War*)

LEBANON

(See *Israel; UK, Great Britain*)

MEXICO

Dec. 14—In an effort to stop the continuing decline in Mexico's economy, the government announces that it has devalued the peso by 22 percent against the dollar.

Dec. 29—The government announces that the Morgan Guaranty Trust Company, with support from the U.S. government, will help Mexico transform part of its \$100-billion debt into marketable securities. Under the terms of the plan, commercial banks that have loans against Mexico can trade their debts for Mexican securities that are backed by 20-year, zero-coupon U.S. Treasury bonds.

NICARAGUA

(See also *Costa Rica; U.S., Foreign Policy, Legislation*)

Dec. 4—Peace negotiations between Nicaragua's Sandinista government and the contra rebels reach an impasse when the Sandinistas refuse to accept a cease-fire proposal offered by

Miguel Cardinal Obando y Bravo, the mediator in the talks. Dec. 8—The Defense Ministry says that an American pilot, James Denby, is in custody after he was downed flying over Nicaragua on December 6; Defense Minister Humberto Ortega Saavedra accuses Denby of being "clearly engaged in enemy activity against our country."

Dec. 20—Contra forces claim that they have staged their largest offensive in the 7-year civil war, attacking several targets in the mining area of Zelaya. The attacks come on the eve of renewed cease-fire talks between the contras and the Sandinista government.

Dec. 22—Peace talks between the Sandinistas and the contras break off after the parties fail to agree on the issue of face-to-face negotiations.

PAKISTAN

(See *U.S., Legislation*)

PANAMA

(See also *U.S., Foreign Policy*)

Dec. 23—Retired Colonel Robert Díaz Herrera, whose accusations of government corruption prompted violent demonstrations in June, is sentenced to 5 years in jail for crimes against state security.

Dec. 25—Colonel Díaz is released from custody, given a presidential pardon and sent to Venezuela.

PHILIPPINES

Dec. 9—Colonel Gregorio Honasan, the leader of an attempted coup against the government on August 28, is captured in Manila; General Fidel Ramos, the armed forces chief of staff, says that Colonel Honasan will be guaranteed "honorable treatment under due process of law."

Dec. 18—President Corazon Aquino officially banishes Colonel Honasan from the army.

Dec. 20—An overcrowded passenger ship collides with an oil tanker off Mindoro Island; at least 1,500 people die in the accident, making it one of the worst in maritime history.

POLAND

Dec. 5—Prime Minister Zbigniew Messner tells Parliament that food-price increases of 110 percent will be spread out over 3 years instead of 1 year; Messner says the delay in food-price increases is a response to last month's failed government referendum that sought popular support for a variety of price increases.

Dec. 15—Prime Minister Messner says that the price of consumer products, except for alcohol and cigarettes, will increase by 27 percent next year.

PORTUGAL

(See *France*)

SAUDI ARABIA

(See *Intl, GCC*)

SOUTH AFRICA

Dec. 5—The government announces that it will start to withdraw its troops from southern Angola; South African forces have been in Angola since September, aiding rebel UNITA (Union for the Total Independence of Angola) forces in their struggle against the Angolan government.

Dec. 11—The government prevents former African National Congress (ANC) leader Govan Mbeki from traveling from Port Elizabeth and from talking to the press.

Dec. 30—In the homeland of Transkei, Prime Minister Stella Sigcau is ousted in a coup by the military; she was named prime minister in October after another military coup.

SPAIN

- Dec. 11—A bomb explosion at a Civil Guards barracks in Zaragoza kills 11 people; the Interior Ministry blames the Basque separatist group E.T.A. for the incident.
- Dec. 27—A U.S. serviceman dies of wounds he received in a December 26 grenade attack on an American serviceman's (U.S.O.) club in Barcelona; four other servicemen were wounded in the incident, for which a Catalan separatist group has claimed responsibility.

SRI LANKA

- Dec. 23—In Colombo, the leader of Sri Lanka's governing party is assassinated along with 3 of his aides.
- Dec. 27—Tamil rebels engage in a gunfight with police and Indian soldiers at a crowded market in Batticaloa; at least 25 people die, including 18 civilians.

TURKEY(See *France*)**U.S.S.R.**

(See also *Intl, Arms Control, UN, U.S.-Soviet Summit, Costa Rica, U.S., Foreign Policy*)

- Dec. 8—The Foreign Ministry says that imprisoned West German pilot Mathias Rust has been denied a pardon.
- Dec. 26—Eight protesters in Moscow and 8 others in Leningrad are arrested in demonstrations against the involvement of the Soviet Union in Afghanistan.

UNITED ARAB EMIRATES(See *Korea, South; U.S., Legislation*)**UNITED KINGDOM****Great Britain**

- Dec. 1—Prime Minister Margaret Thatcher denounces France for its secret deal with Iran to release 2 French hostages in Lebanon; Thatcher says that "treating with terrorists only leads to more kidnapping and more violence."

UNITED STATES**Administration**

- Dec. 4—Cuban detainees holding 89 hostages at the federal penitentiary in Atlanta surrender after signing an agreement with federal authorities that will allow for a review of their cases on an individual basis.
- Dec. 7—A Pacific Southwest Airlines commuter jet crashes in central California, killing 44 people; Federal Aviation Administration (FAA) officials believe that there may have been gunfire on board the plane moments before the crash.
- Dec. 8—The Federal Bureau of Investigation (FBI) says that a disgruntled former employee of USAir, the parent company of Pacific Southwest Airlines, boarded the plane carrying a gun and seeking revenge against his former employer, who was also on the plane that crashed yesterday.
- Central Intelligence Agency (CIA) director William Webster names Richard Stolz as head of the CIA's operations directorate; Stolz replaces Clair George, who resigned last month.
- Dec. 10—The FBI announces it is almost certain that a former USAir employee caused the December 7 Pacific Southwest Airlines plane crash.
- Dec. 13—General William Burns replaces Kenneth Adelman as director of the Arms Control and Disarmament Agency.
- Dec. 17—CIA director William Webster fires 2 CIA officials and disciplines 3 others because of their "improper" activities during the Iran-contra affair.
- Dec. 31—President Reagan signs an executive order that gives 4.3 million federal workers, civilian and military personnel, a

2 percent pay rise, beginning January 1, 1988.

Economy(See also *Germany, West; Mexico*)

- Dec. 3—Despite a gain in the value of the dollar caused by interest rate cuts in Europe, the Dow Jones Industrial Average of 30 blue-chip stocks falls 72.44 points to 1,776.53.
- Dec. 4—The Labor Department says that last month's unemployment rate decreased by one-tenth of 1 percent to 5.8 percent.
- Dec. 8—The Dow Jones Industrial Average climbs by 56.20 points to 1,868.37.
- Dec. 10—The government announces that the foreign trade deficit increased to a record \$17.6 billion in October, a \$3.5-billion deterioration from the September level of \$14.1 billion; the Dow Jones average ends a 3-day rally by dropping 47.08 points to 1,855.44.
- Dec. 15—The Commerce Department reports that the balance-of-payments current-account deficit has reached a record level of \$43 billion for the 3d quarter; officials say that for the first time in 50 years, foreign investors earned more on U.S. investments than U.S. investors earned on foreign investments.
- Dec. 16—For the 4th consecutive day, worldwide oil prices fall in reaction to the recent OPEC accord; prices drop below \$16 a barrel, their lowest level in almost a year.
- Dec. 17—The Commerce Department revises the estimated 3d quarter gross national product (GNP) growth rate from 4.1 percent to 4.3 percent.
- Dec. 28—The dollar drops to new lows of 123.70 against the Japanese yen and 1.598 against the West German mark; in reaction to the dollar's weakness, the Dow Jones average falls by 56.70 points to 1,942.97.
- Presidential spokesman Marlin Fitzwater says that the administration wants to see "stability in the dollar" and that a further decline in the dollar could be "counterproductive."
- Dec. 30—The Commerce Department reports that its index of leading indicators fell 1.7 percent in November.
- Dec. 31—The dollar falls to a new low of 121.05 against the Japanese yen and 1.569 against the West German mark.
- The Dow Jones Industrial Average ends the year at 1,938.83; 42.88 points above its opening average in 1987.

Foreign Policy(See also *Intl, Arms Control, Iran-Iraq War, NATO, UN, U.S.-Soviet Summit; Costa Rica; Nicaragua; Spain*)

- Dec. 1—State Department spokesman Charles Redman criticizes France for negotiating with Iran for the release of 2 French hostages in Lebanon on November 27; Redman says that the French-Iranian agreement gave "the impression or the reality that hostage-taking is to be rewarded. . . ."
- Dec. 2—According to a CIA report released today, the Soviet Union has borrowed \$6 billion from Western banks in the last 2 years to compensate for a shortage of hard currency.
- Dec. 3—The government of Panama orders the closing of the United States Agency for International Development (USAID) office in Panama.
- In an interview, U.S. President Reagan says that conservative opponents of the proposed INF treaty want to believe "that war is inevitable."
- Dec. 6—On the eve of the U.S.-Soviet summit meeting, over 200,000 people march in Washington, D.C., to protest the Soviet Union's human rights and Jewish emigration policies.
- Dec. 12—In a press interview arranged by the State Department, former Sandinista military official Roger Miranda Bengoechea, who defected to the U.S. October 25, says that the Sandinista government plans to double the size of its present army.

Dec. 15—Italian Prime Minister Giovanni Gorla arrives in Washington, D.C., for 2 days of talks.

Dec. 16—Secretary of State George Shultz says that the Soviet Union might support a potential arms embargo against Iran if the embargo were enforced by UN forces.

Dec. 17—Senate Republican leader Robert Dole says he will support the INF treaty in the Senate; Senator Dole previously refused to support the treaty.

Dec. 22—The State Department criticizes measures used by Israeli forces to put down protests in Gaza and the West Bank as "unacceptably harsh."

Labor and Industry

(See also *India*)

Dec. 3—Shearson Lehman Brothers announces that it has acquired E.F. Hutton Group Inc., for \$960 million.

Dec. 11—A federal court rules that A.H. Robins Company must set aside \$2.48 billion out of its bankruptcy reorganization plan to compensate women who claim they were injured by the Dalkon Shield birth-control device.

Dec. 14—In a federal court, Chrysler Corporation pleads no contest to charges of odometer tampering; Chrysler could be fined as much as \$120 million when sentence is passed in February.

The Bank of Boston announces that it is writing off as uncollectible \$200 million of its \$1 billion in loans to Latin American nations; the bank will not charge any interest on the remaining balance of \$800 million.

Dec. 18—Former Wall Street speculator Ivan Boesky is sentenced to 3 years in prison for filing false stock trading statements.

Dec. 19—Texaco Inc. agrees to pay Pennzoil Company \$3 billion to settle a \$10.5-billion judgment awarded to Pennzoil in 1985 when Texaco was found guilty of preventing Pennzoil from purchasing stock in the Getty Oil Company; the settlement is subject to a vote of Texaco stockholders in February, 1988.

Legislation

Dec. 3—By a 248-170 vote, the House passes a \$593-billion spending bill for 1988, including \$7.6 billion in budget cuts desired by the administration.

The Senate Appropriations Committee votes to prohibit the sale of Stinger antiaircraft missiles to Bahrain.

Dec. 8—A \$606-billion appropriation bill is approved by a 19-9 vote in the Senate Appropriations Committee; the committee drops several amendments, including a contra-aid amendment that had been in the House version of the bill passed on December 3.

Dec. 9—The House votes 215 to 200 to prohibit the administration from asking other nations to provide aid to the contra rebels.

Dec. 11—The nomination of Ann Dore McLaughlin as secretary of labor is approved by the Senate.

Dec. 12—The Senate approves the \$606-billion appropriation bill by a vote of 72 to 21; the bill includes \$7.6 billion in budget cuts and \$16 million in nonmilitary aid for the contra rebels.

Dec. 14—The Senate Judiciary Committee hearings on the nomination of Judge Anthony Kennedy to the Supreme Court begin; during questioning, Judge Kennedy reaffirms his belief that citizens have rights to privacy, although these rights are not spelled out in the constitution.

Dec. 15—Judge Kennedy completes his testimony before the Senate Judiciary Committee.

Dec. 17—House and Senate negotiators agree on a \$480-million economic and military aid package to Pakistan for fiscal year 1988, along with a 2-year waiver for Pakistan that over-

rides a ban on aid to nations that import nuclear materials without adhering to international safeguards.

Dec. 18—President Reagan threatens to veto the appropriations and deficit-reduction bills if the bills do not include aid to the Nicaraguan contra rebels and other measures contained in an agreement reached between the administration and Congress in November.

Dec. 19—The Senate passes by an 85-2 vote a \$4-billion financial aid package for the Farm Credit System.

Dec. 22—President Reagan signs compromise versions of the \$604-billion appropriations and the \$17.6-billion deficit-reduction bills approved by the House and the Senate; together, the bills contain measures to cut \$36 billion from the budget deficit, along with an \$8-million aid package to the Nicaraguan contras.

Congress approves a \$30-billion housing bill that will maintain the current level of funding for existing programs.

Congress adjourns and will reconvene on January 25.

Military

Dec. 3—Low-level flights of the B-1 bomber are suspended by the Strategic Air Command (SAC).

Dec. 4—Secretary of Defense Frank Carlucci orders the military to reduce its fiscal year 1989 budget by 10 percent; this \$33-billion reduction will place the military budget at \$290 billion, \$6 billion below the amount approved by Congress for fiscal year 1989.

Political Scandal

Dec. 16—Michael Deaver, who was President Reagan's deputy White House chief of staff from 1981 to 1985, is found guilty in a federal court on 3 counts of lying under oath about his activities as a lobbyist; Deaver, who is acquitted on 2 other counts of false testimony, is the 1st person to be tried under the Ethics in Government Act of 1978.

Dec. 17—The congressional Iran-contra investigating committees release a White House memo dated February, 1986, that said Vice President George Bush was "solid" in his support for the administration's policy of trading weapons for hostages.

Dec. 22—A federal grand jury indicts 2 associates of Attorney General Edwin Meese 3d on racketeering, fraud and conspiracy charges in the payoff scandal involving the Wedtech Corporation; an independent investigator concludes that there is insufficient evidence to charge Meese with any wrongdoing in the affair.

Politics

Dec. 15—Former Colorado Senator Gary Hart announces that he will resume his campaign for the Democratic presidential nomination and files as a candidate in the New Hampshire primary.

Dec. 28—The Federal Election Commission says that the presidential campaign of Gary Hart can receive up to \$1 million in federal matching funds; Hart's eligibility for funds is based on the \$2.1 million his campaign raised before his withdrawal in May.

Science and Space

Dec. 1—The Boeing Company, the McDonnell Douglas Corporation, Rockwell International Corporation and the General Electric Company are awarded initial contracts worth \$5 billion by the National Aeronautics and Space Administration (NASA) for construction of a manned space station.

Dec. 2—NASA says it will launch the much-delayed Galileo mission to Jupiter in 1989; the mission, which was originally scheduled for 1982, has been postponed 5 times.

Dec. 15—The Environmental Protection Agency (EPA) announces that it will permit continued use of the common

herbicide alachlor, which some environmental groups believe is a cancer-causing agent.

Dec. 29—NASA says that it is delaying indefinitely its June 2 space-shuttle launch because of the failure of a motor part in the redesigned booster rocket; the flawed part was discovered last week during testing at the Morton Thiokol facilities in Utah. The launch would have been the first since the January, 1986, *Challenger* disaster.

Supreme Court

Dec. 14—By a 4-4 vote, the Supreme Court refuses to uphold an Illinois law that would require a woman under the age of 18 seeking an abortion to wait 24 hours so her parents could be notified.

VIETNAM (See *Intl, UN*)

ZIMBABWE

Dec. 22—The main opposition party of Joshua Nkomo and the ruling party of Prime Minister Robert Mugabe sign an agreement to merge; the agreement will make Zimbabwe a one-party, socialist state and Mugabe will assume the new title of Executive President on December 31. ■

ERRATUM: In Robin Alison Remington's article in our November, 1987, issue, lines 15 through 18 of the right-hand column of page 387 should read as follows: "One aspect of economic reform is increased productivity; that won't happen until all Yugoslavs see not just someone else but themselves as responsible and accountable." We apologize for the error.

SYRIA AND LEBANON

(Continued from page 90)

The maneuvering over his successor—to be elected by a Parliament that was chosen in 1972—will give some indication of the factions in the Maronite community and of Syria's ability to influence the process.

Leadership in the Shia community is dispersed, but the once-dominant six feudal families are now a minor factor. Nabih Berri heads Amal, the largest group, which has two aims—access to political and economic opportunity within a Lebanese state, and the prevention of the PLO from reestablishing its armed presence in Lebanon. Amal has many factions, some of which are close to Hezbollah (the Party of God), which seeks an Islamic government. Both Hezbollah and Amal want the Israelis to leave southern Lebanon, but Hezbollah sees itself as working to retake Jerusalem for the Muslims. Religious leaders also wield much influence, so that Lebanon's Shia are far from speaking with one voice.

An additional factor is the unified, compact Druse

¹⁶See Augustus R. Norton, *Amal and the Shia: Struggle for the Soul of Lebanon* (Austin: University of Texas Press, 1987), p. 133.

¹⁷Elie Hobeika, whom Geagea ousted as head of the Lebanese forces in 1986, claimed that Geagea was responsible. Voice of the Mountain Radio (clandestine), October 25, 1987, in FBIS, October 26, 1987. Geagea had been very critical of Karami as a tool of the Syrians.

¹⁸The *New York Times*, August 20, 1986; *Al-Shira'a* (Beirut), October 19, 1987, in FBIS, October 22, 1987. The militias are also providing social services. See *The New York Times*, October 18, 1987.

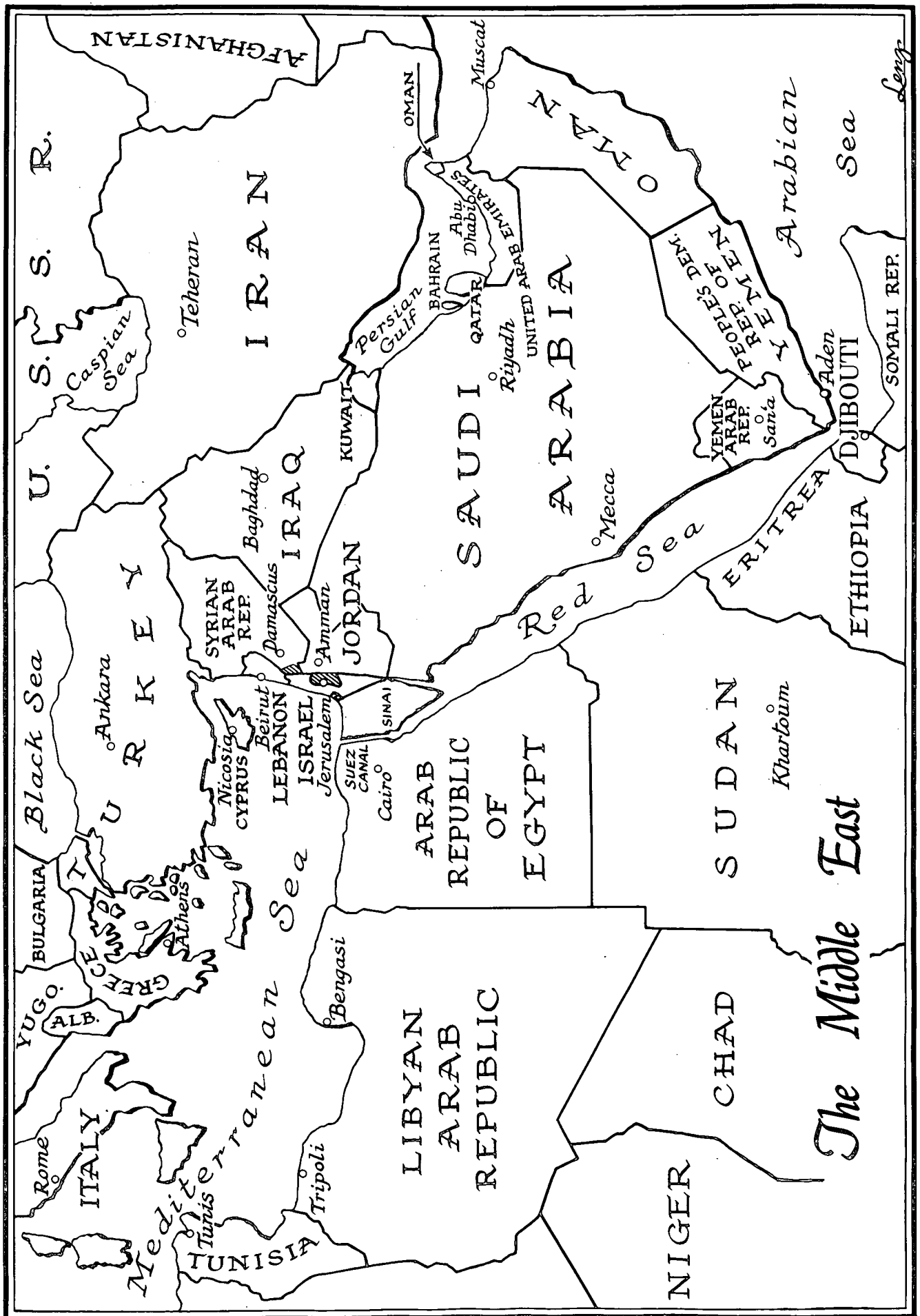
community, led by Walid Jumblat. It is, in fact, rare for Lebanon's Druse to have a single leader, but the leader of the second major faction, Defense Minister Majid Arslan, died during the civil war; his son made the mistake of allying himself with the Lebanese Forces and destroyed his credibility.¹⁶ The Druse Shouf stronghold in the mountains east of Beirut actually constitutes a separate canton. Amounting to only seven or eight percent of the population, the Druse see the continuation of confessional politics as the most practical way to insure their interests. In the past, they have collaborated with the Maronites and may do so again, but the bitterness stemming from atrocities in fighting between the two after Israeli forces pulled out of the Shouf district in 1983 remains a formidable obstacle.

The once-prominent Sunni Muslim community lost a major figure in 1987 with the assassination of Prime Minister Rashid Karami, probably at the instigation of Geagea.¹⁷ Living mostly in the coastal cities, the Sunnis have not developed new leaders to replace the men who successfully represented the community's interests in pre-civil war days. And they are scattered enough that building a Sunni canton would be a very difficult, perhaps impossible task.

Yet Lebanon is becoming more cantonized, with people from one area rarely visiting another; the risks are great, and life in Lebanon is risky enough. The principal groups, in their cantons or areas of control, are more and more autonomous. Their militias are looking like (and beginning to act like) regular armed forces with uniforms, tanks and artillery.¹⁸ Soldiers from the Lebanese army often form the core of militia units.

For ordinary Lebanese—and most Lebanese whatever their sympathies or community affiliation are not combatants—weariness and a sense of hopelessness have begun to dominate. The once-strong Lebanese pound, which for most of the civil war held its value, began to slip after the failure of the tripartite agreement of December, 1985. The Lebanese pound (L£) reached what was then a historic low of \$1:L£20 in January, 1986, and dropped throughout the year to stand at \$1:L£94 in February, 1987. By mid-November, it had plummeted to \$1:L£485. Public opinion seems to regard this fall as more convincing evidence than all the destruction that Lebanon has reached a point of no solution. A general strike called to protest ongoing violence lasted for five days in November, 1987; it showed broad discontent, but the ability of ordinary Lebanese to affect the behavior of those with guns is minimal. Hatreds and the narrow definitions of interest are large roadblocks that impede a redistribution of offices and power that could open a way to curing Lebanon's ills.

And while Syria has at times and in certain circumstances worked its will in Lebanon, current conditions seem beyond its capacity to change. The actors that look to Syria for support are allies rather than clients; they show little willingness to compromise. ■



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